

# Herald Tribune

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Established 1887

## Seeks Pact With North

### Park Offers a Deal For Pullout of GIs

UNITED PRESS  
General Amman  
National Council  
The restoration of  
the cost up to \$100 million.

SEOUL, Jan. 12 (UPI)—President Park Chung Hee declared today that he would not oppose the withdrawal of U.S. troops from South Korea if North Korea agreed to sign a nonaggression pact with the South.

Mr. Park said at a news conference that South Korea was ready to build its own national defense force and the country's overpopulation was a major problem. He said that the U.S. would be able to help South Korea in its efforts to develop its economy.

However, he emphasized that the restoration of the peninsula to a single state is the essential framework for which to seek reunification.

The two Koreas, he said, are separated by a "cold war" and the U.S. would be able to help South Korea in its efforts to develop its economy.

Mr. Park's conditional agreement to a U.S. troop withdrawal surprised observers. It was the first such statement made by a South Korean leader since the 1953 armistice that ended the Korean War.

The U.S. has about 23,000 troops in South Korea. The U.S. military command in Seoul said that it would be able to help South Korea in its efforts to develop its economy.

## Who Hopes Him First

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## Hanoi Gets

### \$35-Million IMF Loan

#### U.S. Is Reported To Approve Plan

By Clyde H. Farnsworth

WASHINGTON, Jan. 12 (UPI)—The International Monetary Fund announced yesterday that it had made its first loan to Vietnam, apparently with the consent of the United States, which has twice vetoed admission of the war-torn country to the United Nations.

The 129-nation IMF said it was lending the equivalent of \$35 million to Vietnam under a facility that provides Third World countries with concessional financing to cover shortfalls in their exports.

The announcement of the loan, which would help in the reconstruction of the country, was made a week before a five-man mission from the IMF's sister organization, the World Bank, was scheduled to arrive in Hanoi for a month-long study of Vietnam's economic policies, conditions and needs.

That mission is being headed by Edward Hawkins, a British economist and senior official at the World Bank's headquarters here.

No Objections Raised  
American sources said the United States raised no objections to the World Bank and IMF decisions.

The United States, a source said, raised some questions only on technical aspects of the proposal to lend money under the concessional financing facility.

There was a broad consensus in favor, the source said.

Vietnam was officially reunified last July 15 months after the U.S. troops' withdrawal. Last September it took up the membership in the IMF and the World Bank that had been held since 1966 by South Vietnam.

The United States in September raised the question of whether Vietnamese membership would be premature, but failing to get much support for this position, it did not press the point.

U.S. membership for Vietnam has been opposed by the United States on the ground that Hanoi has refused to give information about Americans missing in action in the war. Hanoi has linked supply of the data with U.S. participation in reconstruction efforts.

The IMF said the loan was granted on the basis of an export shortfall experienced by Vietnam during the 12-month period ended last June 30.

Hanoi Economic Report  
HONG KONG, Jan. 12 (Reuters)—Vietnam achieved most of its economic targets last year, and is aiming this year for an 18-percent increase in the gross national product and a 16-percent rise in the national income, a senior minister said in Hanoi yesterday.

Le Thanh Nghi, chairman of the State Planning Commission, said one of seven vice-premiers gave a figure in a report to the National Assembly which opened yesterday, the Vietnam News Agency reported.

Mr. van der Byl said he would welcome an opportunity to visit the United States and put the case for the Rhodesian plan directly to President-elect Jimmy Carter and Secretary of State-designate Cyrus Vance. Mr. Carter has indicated that he favors an increase of pressure on white governments in southern Africa to yield to majority rule.

The minister, 53, warned in an interview that white Rhodesians will fight "to the last cartridge" rather than hand over the government to the Patriotic Front.

The front, led by Joshua Mqomo and Robert Mugabe, claims the allegiance of most of the guerrillas who are intensifying their terrorist war.

Mr. van der Byl also spoke of the role played by Britain in the settlement negotiations. He said that Ivo Robert, the British chairman of the Geneva conference, had directed his efforts toward the "appeasement" of the nationalists and the five "front-line" black Presidents, to the detriment of this country's 6.5 million people.

But it was the decision of the black Presidents, meeting in Lusaka last weekend, that attracted some of his most scathing comments. "This of course does make the whole Geneva thing nonsense," he said, arguing that the Patriotic Front is far outstripped in popularity among blacks by Bishop Abel Muzorewa, the leader of one of the nationalist groups shunned by the Presidents.

Mr. van der Byl said the government would continue negotiations. (Continued on Page 2, Col. 1)

Stolen Computer Tapes Said Held for Ransom

ROTTERDAM, Jan. 12 (UPI)—A Briton employed for two years by the Dutch subsidiary of Britain's Imperial Chemical Industries has stolen computer tapes from the firm and is demanding \$275,000 (\$487,500) for their return, two Dutch newspapers reported today. A company spokesman confirmed that the tapes were missing but declined to say if a ransom had been asked.

The newspaper Algemeen Dagblad of Rotterdam and De Telegraaf of Amsterdam, said that the tapes, containing vital administrative data, were stolen from ICI's Dutch headquarters at Roosendaal, near here, last weekend.

Number of Lessons  
"I knew I made more than my share of mistakes," Mr. Vance said to the 15 senators and overflowed audience of news representatives and spectators. "We learned a number of lessons in Vietnam and I'm wiser for that."

The lessons he said were: trying to prop up regimes that lacked popular support; not realizing that Western institutions could not be imposed on other cultures; a failure to have support of allies; and understanding the limitations of military power against

(Continued on Page 3, Col. 2)

Announces Rise in Oil Production

Aide Says U.A.E., Saudis Bar Profiteering

By Stuart Auerbach

BEIRUT, Jan. 12 (UPI)—Saudi Arabia and the United Arab Emirates, the two nations that broke with the rest of the oil-exporting countries and agreed to raise prices by only 5 percent, are cooperating to make sure that the savings are passed on to the consumers, U.A.E. Oil Minister Mansur al-Otaibi said in an interview published here today.

He also announced that his country will increase oil production by a million barrels a day to 2.6 million barrels to meet the expected increase in demand for the lower-price oil. The 11 other members of the Organization of Petroleum Exporting Countries increased prices by

10 percent Jan. 1 and have said that they will raise them again, by 5 percent, on July 1.

Saudi Arabia has already announced plans to increase production by the end of the year from 8.5 million to 11.9 million barrels a day. Saudi Arabia exports more oil than any other state.

Stockpiling by oil companies in advance of the Jan. 1 price increases has already cut into the income of one major oil-producing state, Iran.

The Decline  
The government there said that during the first nine days of January Iran's oil income fell \$212 million below the \$872 million of Jan. 1-9, 1976. Oil exports by the state-owned Na-

tional Iranian Oil Co. dropped 35 percent—or 2 million barrels daily—from the preceding month's average.

Saudi Arabia and the U.A.E. decided, during last month's OPEC meeting, to hold down their oil prices to curb western inflation. Saudi Arabia also told the Western nations that it expected them to show "appreciation" by supporting the Arab nations' push for a Middle East settlement.

In an interview today with the Beirut daily Al-Anwar, the U.A.E. Minister, Mr. Otaibi, said he is working with the Saudi Oil Minister, Sheikh Ahmed Zaki Yamani, to make sure that companies buying oil from them will not

(Continued on Page 2, Col. 4)



Flag-waving Israelis demonstrating outside the French Embassy in Tel Aviv yesterday.



Children with photos of their fathers killed in Munich took part in Tel Aviv protest.

## No Other Choice, Foreign Minister Says

### Rhodesia Aim: Pact With Moderates

By John F. Burns

SALISBURY, Rhodesia, Jan. 12 (UPI)—Foreign Minister Pieter van der Byl said today that the endorsement of the Patriotic Front nationalist group by the Presidents of five neighboring black states has left Rhodesia no choice but to negotiate a separate settlement with more moderate black groups and to hope that Western countries will back the resulting government.

Mr. van der Byl said he would welcome an opportunity to visit the United States and put the case for the Rhodesian plan directly to President-elect Jimmy Carter and Secretary of State-designate Cyrus Vance. Mr. Carter has indicated that he favors an increase of pressure on white governments in southern Africa to yield to majority rule.

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Mr. van der Byl said the government would continue negotiations. (Continued on Page 2, Col. 1)

Spanish Socialist Leader Calls Talks With Suarez 'Positive'

MADRID, Jan. 12 (UPI)—Socialist leader Felipe Gonzalez today described as "enormously positive" the opposition talks with Premier Adolfo Suarez that could result in the freeing of most of Spain's remaining 200 political prisoners.

In the Basque region—the home of most of the prisoners—a wave of pro-amnesty demonstrations continued. Forty-five students started a hunger strike in the offices of the Most Rev. Antonio Anoveros, bishop of Bilbao.

Mr. Gonzalez, who stayed for a private talk with Mr. Suarez after the three-hour formal meeting, said that "the talks were enormously positive." The negotiators today reported on the talks to the Platform of Democratic Organizations, an alliance of most of Spain's center and leftist parties.

In statements to reporters, the negotiators voiced confidence that the government will move soon on the prisoner issue, although the pardon might not affect all of the prisoners.

Mr. Gonzalez and three other representatives of center and leftist opposition parties met with Mr. Suarez yesterday for formal negotiations on opposition demands for the release of the prisoners and the legalization of all political parties, including the Communists. The Communist party was not represented at the meeting.

The talks, to be continued next week, were the first official contacts between the government and the opposition since the 1939-39 Civil War.

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## Israeli Protests Lead Furor on Arab's Release

From Wire Dispatches

TEL AVIV, Jan. 12.—Hundreds of angry Israelis chanting "Giscard assassin, Giscard terrorist" demonstrated outside the French Embassy today to protest the release of the Palestinian leader accused of masterminding the attack that led to the 1972 Munich Olympics massacre.

The 250 mostly young demonstrators, led by relatives of the 11 Israeli athletes slain in Munich, knocked down police barricades at the height of the protest but were driven back by unarmed officers using walkie-talkies as clubs. The 60 Israeli police and border guards at the scene quickly replaced the barriers but let the demonstrators advance to within six yards of the embassy and toss fruit at the building.

The protesters, waving Israeli flags, cursed French President Valéry Giscard d'Estaing and demanded the expulsion of French Ambassador Jean Herly.

The Israeli Foreign Ministry called Mr. Herly to Jerusalem earlier in the day to file a formal protest against the French release yesterday of Abou Daoud.

Children of Victims  
A 10-year-old boy waved a placard that said "Giscard Killed My Father." Eight children left fatherless by the Munich attack were among the demonstrators. They wore pinned to their chests, large photographs of their slain parents.

In Jerusalem, the French ambassador issued a brief statement after his talks with Ephraim Eylon, deputy director-general of the Foreign Ministry.

Mr. Eylon informed me of the judicial and diplomatic aspects of the arrest in Paris of Abou Daoud and the verdict following the arrest," he said. "I must report now to my government. That is all I am able to say."

Mr. Eylon gave Mr. Herly what Israel's government-run radio described as "a strong official protest" from Foreign Minister Yigal Allon.

Mr. Eylon later said he told Mr. Herly that the release of Mr. Daoud would encourage terrorism and murder in the world and was a breach of the Israel-French extradition agreement.

Relations Crisis  
Government sources in Jerusalem said that Mr. Daoud's release brought relations between Israel and France to the brink of collapse. But diplomatic sources doubted that the crisis would lead to a break in relations.

Mr. Daoud was released yesterday four days after he was arrested in Paris, where he had arrived with a Palestine Liberation Organization delegation to attend the funeral of a murdered Palestinian activist.

A French court rejected requests from Israel and from West Germany that Mr. Daoud be held in custody until formal requests for extradition could be considered. It ruled that the request was insufficient because Mr. Daoud was neither an Israeli nor accused of having committed a crime in Israel. And it rejected the West German request because it had not been confirmed by telegram and because the name on the request did not correspond to the name on Mr. Daoud's Israeli passport, Youssef Raji Hanna. A further explanation was given today by the French Foreign Ministry.

In Algiers, where Mr. Daoud was flown after his release, he told a news conference that his arrest was caused by "some groups in the French police" trying to sabotage relations between France and the Arab states. He said that those groups had acted "in the interest of Zionism and not of France."

In Bonn, West German officials reacted on two levels to the sudden release of Mr. Daoud.

On the public level, officials in Bonn, and in Munich, the capital (Continued on Page 2, Col. 6)

May Be Part of Arab Arms Industry Plan

France Said to Supply 200 Mirages to Egypt

PARIS, Jan. 12 (AP)—France has agreed to supply Egypt with 200 Mirage fighter-bombers, government informants disclosed today.

The deal was immediately linked by independent aviation sources to French haste in setting free Abou Daoud, the suspected mastermind of the Munich Olympics massacre.

The Defense Ministry avoided direct confirmation of the report, in line with French policy of leaving announcement of arms deals to the recipient nation. It said, however, in a statement that the report "probably involves allusions to the planned construction of aircraft of this type by the Arab authority for military armament"—the planned Arab arms industry that France is engaged to assist.

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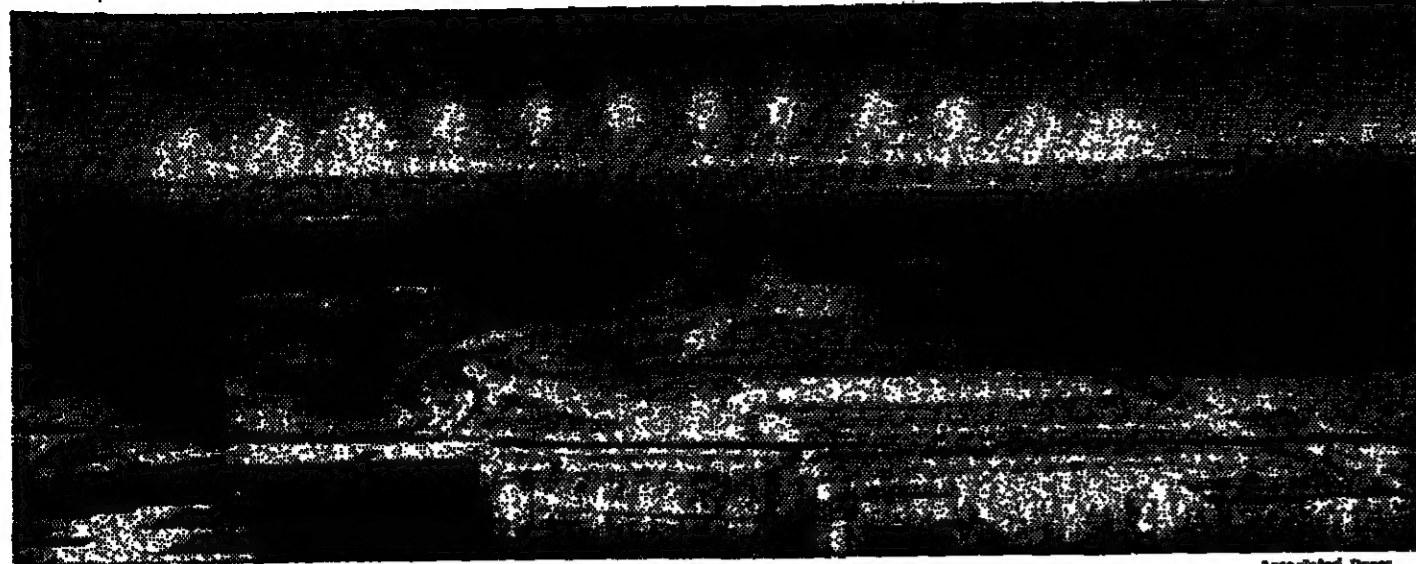
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Associated Press.

Three hours and 45 minutes of sunshine on Christmas in Fairbanks, Alaska; 12 exposures, 15 minutes apart.

## Strategy Shift By Rhodesian Crosland Says EEC Growth Depends on Action by Others 2 Oil States Curb Profits

(Continued from Page 1)  
tions with Mr. Richard, currently on a diplomatic shuttle in southern Africa, because it would not take the responsibility for ending the peace effort. But he said that the only acceptable means of transferring power to the black majority has now become a separate round of negotiations "with those of the black Rhodesian population who are prepared to do it."

### Referendum Demanded

SALISBURY, Rhodesia, Jan. 12 (AP)—Bishop Murewa, president of the African National Council, demanded today that the British government organize and supervise a referendum in Rhodesia to choose a national leader before the Geneva Conference reconvenes.

He told questioners at a news conference that he saw a referendum as the only way out of the Geneva stalemate.

Meanwhile, in London, the Foreign Office said today that March 1, 1978, is still officially the target date set for the transfer to black rule in Rhodesia.

A spokesman said there had been no change in the date despite the announcement by Foreign Secretary Anthony Crosland yesterday that the Geneva conference on Rhodesia would not reconvene on Monday as planned.

### Rhodesian Plane Downed

SALISBURY, Rhodesia, Jan. 12 (UPI)—A Rhodesian Air Force plane has been shot down from the Mozambique side of the border in the southeast of the country, a security force spokesman said today. It said the aircraft crashed in Mozambique territory and the crew is presumed to have been killed.

## 95 Blacks Seized By Police Raiders Near Cape Town

CAPE TOWN, Jan. 12 (UPI)—Police raided homes in the black township of Langa between today and arrested 95 persons on a number of charges, including ones involving the gasoline bombing of six schools in the suburb Monday, a police spokesman said.

He said that those arrested included blacks suspected of membership in the Comrades Movement, a group of young black militants who police believe are keeping pupils away from schools.

He said that the two-hour raid was "highly successful" and there were no violent incidents. A number of persons on police "wanted" lists were arrested in the raids aimed at specific black homes, the spokesman said.

Some of those arrested faced charges of arson in connection with attempts to burn down six black schools on Monday. Gasoline bombs were thrown at the buildings and two schools were seriously damaged.

### Local Vote Postponed By Turks to December

ANKARA, Jan. 14 (AP)—Turkey's National Assembly yesterday voted to postpone nationwide local elections from June to December of this year.

The move was opposed by the Justice party of Premier Süleyman Demirel, but the majority was reportedly motivated by concerns that a poor showing in local elections in June could hurt the various parties' prospects in general elections scheduled for October.

LUXEMBOURG, Jan. 12 (UPI)—British Foreign Secretary Anthony Crosland said today that Europe must look for U.S., Japanese and West German-led economic growth to end problems which he said are sapping the political will of the European Economic Community.

Mr. Crosland praised plans by the administration of President-elect Jimmy Carter to resuscitate the U.S. economy, even though it ran the risk of incurring a balance-of-payments deficit as a result.

In a speech to the European Parliament, Mr. Crosland said that economic woes have been responsible for halting progress toward European union during the last two years.

"Our economic problems have played a large part in sapping the community's political will," he said.

Dependent on Others  
Mr. Crosland said that the Common Market and its nine member countries could not succeed "unless other economies grow and import more. Much, of course, will depend on countries outside the community, particularly the United States and Japan."

He added, "We look also to an expansion of demand in the stronger economies of the European community."

Mr. Crosland said that the prime danger to the EEC was the "divergence" between the economies of its rich countries, led by West Germany, and the economically weaker ones such as Italy and Britain.

Practical Route  
Quoting from a report by the Organization for Economic Co-operation and Development, he said that "without appropriate growth in the stronger countries—the United States, Japan, Germany and some smaller (Common Market) members—it may be difficult to keep stringent stabilization policies in place in the weaker countries for a sufficient time to allow the divergencies to be reduced."

Such growth, he said, "rather than the many ingenious monetary schemes currently being propounded by academics without

Gandhi Frees Two Dissidents in Congress Party

NEW DELHI, Jan. 12 (AP)—The government today freed two leading dissidents in the ruling Congress party who had been imprisoned under Prime Minister Indira Gandhi's state of emergency.

In a move that observers viewed as a gesture by the Prime Minister toward her political opponents, the government announced the release of Mohan Dhar, a former Cabinet member, and Chandra Sekhar, a member of Parliament who had been the focal point of dissidents in the Congress party.

Mr. Sekhar was arrested along with other opposition leaders at the start of the state of emergency in June, 1975, when civil liberties were suspended to meet what Mrs. Gandhi described as a grave threat to internal order.

Mr. Dhar, once the minister of state for planning, was detained in December, 1975.

Although the government has released nearly a dozen opposition political figures in recent weeks, the latest announcement was considered the most significant because of the two men's standing in the party before the emergency.

practical experience, is the only practical route to convergence, and thus to any hope of a more real economic union."

Mr. Crosland told a news conference later that "clearly the Carter administration is going to move in the direction which the OECD had suggested, even though it is much more likely than Germany to run into balance-of-payments deficits by doing so."

Mr. Crosland was speaking in his role as chairman of Common Market foreign ministers meetings for the first half of this year.

Meeting Cancelled

BRUSSELS, Jan. 12 (Reuters)—The meeting of Common Market finance ministers, which had been provisionally scheduled for next Monday, has been canceled, EEC officials confirmed here today.

The next Economic and Finance Council meeting has been provisionally set for Feb. 14.

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(Continued from Page 1)  
raise prices by more than 5 per cent.

"They gave us guarantees they would not raise the prices by more than 5 per cent," he told the London correspondent of Al Anwar.

"We Want to Prove"  
"We want to prove to the oil-consuming countries that we will not allow the companies dealing with us to make additional profits at the expense of the consumer. We have already made it clear that our decision was taken in the interests of the industrialized countries to alleviate the pressures of inflation in the world."

Oil economists said at the time of the OPEC meeting that a two-tier price system would be impossible to maintain. They predicted that the Saudi and U.A.E. oil would gradually be bid up in price as it moved to the consumer until both the lower and the higher-priced oil would cost the same.

One expert said that this would provide a \$3-billion windfall profit for the companies buying the less expensive Saudi and U.A.E. oil.

High-grade Saudi crude oil is the marker on which the price of every other country's oil is based. As of Jan. 1, the price of that oil increased from \$11.51 to \$12.08 a barrel. Oil from the other OPEC nations jumped to \$12.70 a barrel and is scheduled to go up to \$13.30 in July.

Third of Daily Output  
Together, Saudi Arabia and the U.A.E. account for slightly more than one-third of the 30 million barrels of oil produced daily by the 13 OPEC nations.

While experts predicted last month that they could not increase their daily production by more than 2.5 million barrels, both nations have revealed far more ambitious plans.

Attempts to hold down the worldwide price of oil can succeed only if the Saudis and the U.A.E. succeed in producing so much oil that the other OPEC nations cut their output or lower their prices, experts believe.

Park Conditionally Approves GI Pullout From South Korea

(Continued from Page 1)  
as the site for such negotiations.

The South Korean government, he said in his nationally televised news conference, was willing to supply rice to North Korea to help ease its food shortages.

Quoting travelers to Pyongyang and other intelligence reports, Mr. Park said that the Communist territory north of the Demilitarized Zone was gripped in a severe food shortage.

The President said that the South's bumper crops over the last two years have made it possible to make a "humanitarian" gesture.

Mr. Park said that he would strive to strengthen diplomatic and security arrangements with the United States.

No mention was made of the

Third World Unit Plans Press Group

CAIRO, Jan. 12 (UPI)—A committee of 14 nonaligned nations declared its determination today to "liberate" information media from imperialist control and set up a "new world information order."

The declaration was contained in a communiqué issued by the Coordinating Committee of the Nonaligned Nations News Pool at the end of its first three-day meeting here.

The committee, which is headed by India's Subhas Chandra Bose, consists of Egypt, India, Ghana, Iraq, Mauritius, Mexico, Tunisia, Vietnam, Yugoslavia, Indonesia, Cuba, Peru, Senegal and Zaire.

Italian Banker Fined In Smuggling Attempt

SAN REMO, Italy, Jan. 12 (Reuters)—A prominent Italian banker was fined 5 billion lire (\$5.7 million) yesterday for attempting to smuggle financial documents worth 2.7 billion lire out of the country.

## Sarkis Leads Collection of Heavy Arms

Lebanon Rejects Deadline Extension

BEIRUT, Jan. 12 (UPI)—President Elias Sarkis today personally supervised the collection of heavy arms from Lebanese militias and Palestinian groups. As the countdown to the midnight deadline shortened, sources close to the presidential palace told the newspaper Al Bayrak that there would be no extensions of the time limit imposed on putting the tanks, armored cars and artillery in mothballs.

"No delays will be tolerated and any party that does not obey will only harm itself," the newspaper quoted the sources as saying.

A decision has been taken and there is no way to go back on it. It will be implemented—willingly or unwillingly—by midnight tonight," the sources said.

Nearly Finished  
"The Palestinians have nearly finished gathering their weapons and the last ships and trucks conveying will take Palestinian regular units out of the country by midnight," an official said in Beirut.

"I don't foresee any problem in meeting the deadline," he added.

The Palestinians, as well as Lebanese factions, have been moving their guns out of Beirut and other major cities to special depots around the country designated by the Arab peace-keeping force. These depots will be under the joint guard of the Arab Army and the faction whose weapons are being stored.

In addition, the Palestinians were told to remove all of their regular Palestinian Liberation Army units—as opposed to irregular, guerrilla forces—from Lebanon by the midnight deadline.

Supplement Air Bridge  
Mr. Sarkis ordered an air bridge to supplement the truck and ship convoys that will take units of three Palestine Liberation Army regular brigades to other Arab countries.

The military commanders of the peace-keeping force kept in continuous session at their Beirut headquarters as they coordinated the arms-gathering operation and reported back at regular intervals to Mr. Sarkis, the overall commander of the force.

Phalangist, National Liberal and Tawzim (the Organization) militiamen returned to the Lebanese Army anti-aircraft guns and tanks.

The groups gave other arms, including artillery pieces, armor of cars and heavy guns over to the joint custody with the peace-keeping force.

A militia group that had opposed these forces during the war, murraboun, said that it was also turning its weapons over, but to the Lebanese Arab Army, a faction of the divided army with which it had been allied during the past year and a half against the other groups.

Park Conditionally Approves GI Pullout From South Korea

(Continued from Page 1)  
effects on the two countries' relations of the scandal involving reports of South Korean bribery of U.S. congressmen.

Most of the President's two-hour news conference was devoted to his economic achievements. He made no statement on human rights or the emergency decree that restricts free political activities. The decree has been in effect for two years.

U.S. Officials Say Israeli Weapons Harm Diplomacy

WASHINGTON, Jan. 12 (UPI)—Israel is complicating U.S. diplomacy by selling weapons to South Africa and Chile and may be breaking the law by selling planes with U.S. engines to Honduras, Washington officials said today.

They said that this may endanger the virtual alliance between Jerusalem and Washington if Congress insists on enforcement of the rule that requires aid to be cut off if Israel is found to be violating U.S. aid laws.

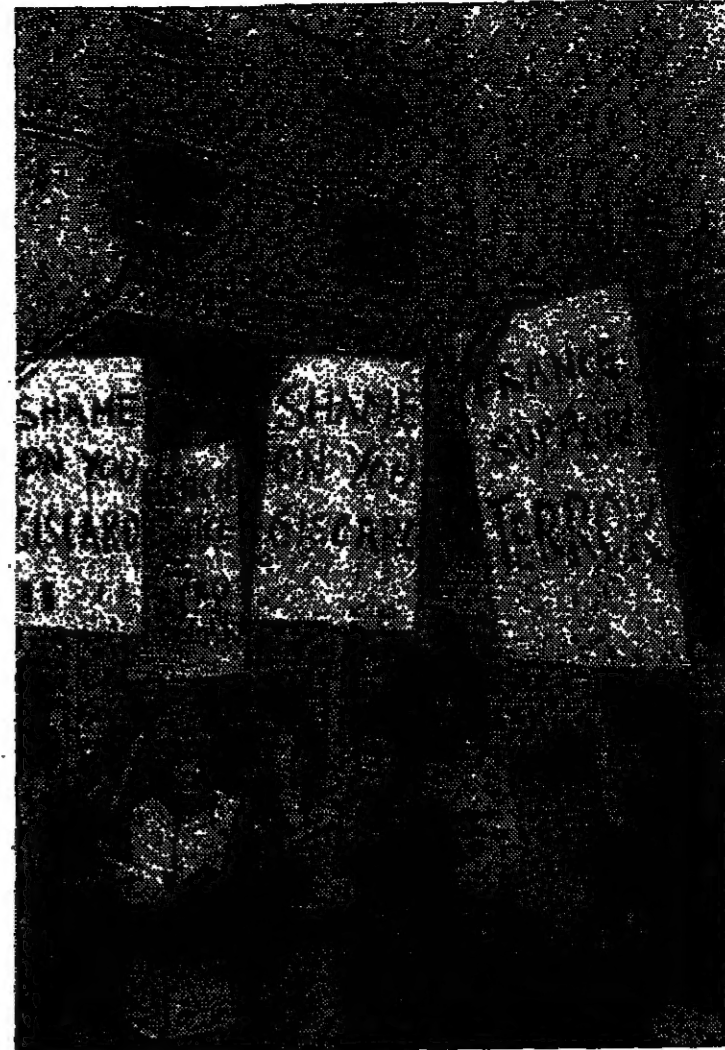
Israel has sold six 20-year-old Super Mystere fighter-bombers with U.S. jet engines to Honduras and is negotiating the sale of six more, officials said. According to the officials, the Israelis souped up the aging planes by fitting them with U.S. Pratt & Whitney engines salvaged from other planes.

An official said that the sale of patrol boats and guided missiles to South Africa and the sale of small arms to Chile violates U.S. embargo and creates problems for U.S. diplomats.

Israeli Embassy spokesman Avi Posner said, "We deny that we have sold any weapons with American components without prior consent from those involved. Whenever there was an American element we had the consent of those concerned."

Swiss to Ratify A-Treaty

BERN, Jan. 12 (UPI)—The Swiss government today decided to ratify the 1965 nuclear non-proliferation treaty.



PROTEST IN LONDON—Members of the British Zionist Federation and others demonstrating outside French Embassy in London to protest release of Abou Daoud.

## Angry Israelis Demonstrate Over Paris Release of Arab

(Continued from Page 1)  
of Bavaria, expressed dismay that France had apparently violated its treaty agreements to hold Mr. Daoud until action against him could have been taken. But they moved today to close the issue and defuse public reaction.

Just slightly below the official level, state and federal officials could hardly hide their relief of having been spared the risky, difficult task of attempting to put Mr. Daoud on trial.

There was little doubt, however, that the governments in both Bonn and Munich were prepared to take the necessary steps to ask France to extradite Mr. Daoud to Munich.

West Germany has had several bitter, bloody experiences with terrorists and is the chief sponsor of a proposed United Nations treaty to counter terrorism. The Germans were also strong advocates of the West European agreement on handling terrorist cases, which was ratified last summer.

"Unbelievable," said Bild, the newspaper with the biggest circulation in West Germany, under the headline, "Paris: Olympic Murderer Free."

The newspaper, in an editorial entitled "Evil Is Victorious," said the release of Mr. Daoud was a French surrender.

The Frankfurt newspaper Frankfurter Allgemeine Zeitung, which circulates throughout West Germany, said: "In truth all authorities are satisfied with the release. France will not have to worry about its alleged wonderful relations with the Arabs. The Federal Republic of Germany is happy to be rid of a trial even before it began that would have made it the target of new Palestinian terror."

Israeli Press Reaction  
The Israeli press condemned the French decision in its editorials:

"With cowardice, meanness of spirit and cynicism, the government of France has raised the white flag to those who supply oil and buy Mirage jet-fighters with its own hands branded the mark of shame on the entire French people," said Ma'ariv, a mass-circulation daily.

"Even those accustomed to hypocrisy in the behavior of government could have expected a medium of restraint from the French administration," said Ha'aretz, a morning daily.

In Washington, the State Department disclosed that it has formally informed French of U.S. dismay over Mr. Daoud's release.

British Criticism  
The Daily Mail of London said: "There is only one word for what France has done: contemptible."

"France, doyen of civilized nations, most touchy as to honor, releases with humiliating haste the self-confessed organizer of the Munich massacre and sends him on his way first class to Algeria and freedom," The Daily Mail said.

The Daily Telegraph of London said that the French actions "seem to have been wholly dictated by expediency and a fear of

2 Charged in Rape Of Heiress in Jamaica

MONTGOMERY BAY, Jamaica, Jan. 12 (UPI)—Police said today they had officially charged two unemployed teen-agers with the rape of Lady Sarah Spencer-Churchill and about 10 other crimes in a series of assaults on homes in the Montego Bay area.

Chief Inspector Oliver Grandison declined to identify the youths, arrested during the week-end, because he said it would hamper investigations into other crimes. Lady Sarah, 55, is a cousin of the late Sir Winston Churchill and heiress to the U.S. Vanderbilt fortune.

Swiss to Ratify A-Treaty

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## Dissidents Denounced in Czech Press

Rights Advocates Again Questioned

From Wire Dispatches  
PRAGUE, Jan. 12.—Czechlovak dissidents, under increasing official pressure, were attacked in the press today for the first time.

A half-page editorial in Rudé Právo, the Communist newspaper, sharply denounced dissident manifesto Charter 77 which was published in the last week. Rudé Právo described the authors and signatories as "servants of the blackest imperialist reaction."

Meanwhile, security police reported today to be again interrogating leading dissidents. Sources said at least four dissidents had been asked to return to police headquarters this morning for further questioning.

They were named as playwright Václav Havel and Petr Pobocký, Ludvík Vaculík, a writer, and Jan Patočka, a philosopher. They were arrested on Monday and then freed. The four were later asked to return "voluntarily" to police headquarters.

The sources said no formal charges had been made against those being questioned and of daily they were still only "witnesses" in an investigation "subversives."

Rudé Právo attacked by its former Central Committee member Zdeněk Mlynář, from National Front chairman a President member František Kriegel, Mr. Havel, Mr. Václav Havel, Foreign Minister Jan Patočka.

It was not known if Mr. Mlynář was among those who sign the human rights manifesto.

Rudé Právo studiously avoided any formulation that would be interpreted as a direct "tin" against those mentioned names.

Mr. Havel, whose plays are known in the West, was described as "a man of a humanist family, a dogged socialist," Mr. Patočka as "a faithful servant of imperialism and its trusted agent," Mr. Havel was labeled as "a shrewd politician, who in the slogan of neutrality wanted to take our state out of the community of socialist countries."

Mr. Kriegel was simply described as an "internationalist."

Rudé Právo said the aim of the manifesto and other protests was to turn this year's international meeting in Belgrade to follow the work of the Helsinki security conference "into some sort of propaganda arena serving for attacks against socialist countries."

Last night the Prague radio rebuked West Germany, Britain and Austria for worrying "much about human rights, Czechoslovakia while 'ignoring them as home.'"

West Germany, the radio said, should look into its laws for human rights from hold public office, while Britain suppressed all human rights problems of "violent anti-Semitism."

Dissident spokesmen reacted calmly to the attacks, saying they doubted the government would put them on trial although it called them "agents of imperialism."

Mr. Havel, contacted by telephone, dismissed the attacks as "unsubstantiated" and said he believed new initiatives would be taken in the human rights campaign.

Italy Reds Assail Prague

ROME, Jan. 12 (Reuters)—Italian Communist party de L'Unita today condemned the attacks by the Czechoslovak authorities on the Charter 77 signatories.

L'Unita said: "The amount of violence of the attacks in Rudé Právo against the document and its signatories leave doubt as to the spirit and methods with which the Czechoslovak authorities intend to confront problems posed by Charter 77."

'Entebbe' Films Are Protested in Lisbon and Paris

LISBON, Jan. 12 (UPI)—After a bomb explosion early this morning, security measures were tightened at four theaters showing films on last year's Israeli raid on Entebbe Airport, Uganda.

The bomb, which damaged Lisbon theaters, but caused casualties, was said to be a warning to theaters showing films that constitute "an affront to the Arab people."

A so-called "Autonomous Group" claimed responsibility for the explosion and wanted to "test measures" would be taken if the theaters continued to show "the reactionary films."

There have been mounting protests against the films "Victory at Entebbe" and "Raid on Entebbe," based on the raid, which hostages held by Palestinian hijackers were rescued.

Paris Theaters Vandalized

PARIS, Jan. 12 (UPI)—Movie theaters showing "Victory at Entebbe" were vandalized last night by demonstrators, police said.

Famphlets distributed by the vandals, signed "Collective of Communist Left," said the film was "a racist and imperialist celebration of Israeli conquests."

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## In State of the Union Message

## Ford to Caution Carter on Defense-Budget Cuts

By Philip Shabecoff  
WASHINGTON, Jan. 12 (NYT).—President Ford will use his final State of the Union Message tonight as a vehicle to urge President-elect Jimmy Carter to take a "very hard look at the cold facts" before making significant reductions in the defense budget, the departing President said yesterday.

Mr. Ford, confident that history will reach a favorable judgment on his brief administration, said that his message to Congress would also encourage the new legislative and executive branches to continue and build on international and domestic initiatives of the Ford administration.

In an interview with The New York Times, the President said a sizable defense reduction would be "very serious" because "the facts are undeniable, that the Soviet Union has had a steady, constant buildup in their military strength. They haven't oscillated like we have."

He said that the national intelligence estimate of the Soviet buildup is "very realistic," although there are differing interpretations about the motives behind the buildup.

**'Deter Aggression'**  
The President said that the United States now has the military capability "to maintain the peace and deter aggression." But he added that "judgments have to be made now to make certain and positive that that capability exists 5 and 10 years from now."

Among the other comments made by Mr. Ford as he discussed his 2 1/2-year tenure in the White House and other subjects were:

- The "heritage" of the Nixon administration was a handicap not only in his campaign for the presidency but also in his conduct of the nation's affairs.

- Congress had been encroaching too much on presidential prerogatives, particularly in the field of foreign affairs—another point he will make in the State of the Union Message.

- The presidency should not be "imperial and inhuman—I strongly feel that people in high office in this country ought to be looked upon as fellow human beings and fellow human beings."
- There "might be some compassion" "to" certain categories of Vietnam war era offenders, but most deserters and draft evaders had their opportunity for clemency under this program, Mr. Ford said, adding that "I regret they did not explore the possibility."

**'High Marks'**  
Smoking a pipe as he sat in the Oval Office, Mr. Ford said that his administration "would get high marks for restoring credibility and confidence in the White House" and also would be recognized as having restored unity among the U.S. public.

Mr. Ford claimed "solid achievements" in the field of foreign policy and said he would mention some of them in his message tonight. "Domestically, I believe history will say we inherited a serious economic circumstance and we made tremendous progress in this period of time."

The nation, he said, was in an excellent position to make "significant progress" in Africa, the Middle East and in negotiations with the Soviet Union over a treaty on strategic arms limitations. Also, he added, he was leaving the nation in a very good position to continue its progress in solving domestic problems.

"But in all of these areas, both international and domestic, the range of action [for] progress or failure is very narrow. It depends on the wisdom and cooperation of the executive and Congress and the American people if we are going to take advantage of these somewhat unique circumstances."

**Unusually Active**  
Mr. Ford was asked why he was

## Callaway Cleared By the U.S. Over Interest Conflict

WASHINGTON, Jan. 12 (WP).—The Justice Department yesterday cleared Howard Callaway, who had been President Ford's election campaign manager, of conflict-of-interest charges involving his effort to obtain favors for his Colorado ski resort while he was a government official.

In a letter to Mr. Callaway's attorney, Assistant Attorney General Richard Thornburgh said the "matter is no longer under active investigation and no further action is contemplated at this time."

The charges, which led to Mr. Callaway's resignation last April as Mr. Ford's campaign manager, centered on reports that, while secretary of the Army, Mr. Callaway had attempted to obtain Forest Service approval of a plan permitting expansion of his ski resort at Crested Butte, Colo.

The charges were made initially by Sen. Floyd Haskell, D-Colo., whose Senate Interior Subcommittee held hearings last summer. The Senate subcommittee, voting on partisan lines, had concluded that Mr. Callaway had used poor judgment in his dealings with the Forest Service but reached no conclusion on whether he had violated federal conflict-of-interest laws.

## Thorn Arrives in Prague

PRAGUE, Jan. 12 (AP).—Premier Cernik of Luxembourg arrived in Prague today on an official visit.

being unusually active in the waning days of his presidency—making proposals on Puerto Rican statehood, a major tax cut, and an energy reorganization program, for example.

He replied that many of the proposals represented action he would have taken early in his next administration had he been elected. But he expressed hope that some of them would be considered for action by Congress along with recommendations made by Mr. Carter.

He added that he felt no sense of futility in submitting programs

that were probably doomed—"not at all," he said.

**Watergate Cited**  
Among the handicaps that he labored under during the presidential campaign, he said, was "the heritage of the previous administration." Previously, Mr. Ford had not stated publicly that Watergate had contributed to his defeat.

He also said that "the Watergate atmosphere pervaded public opinion as a whole" during his time in office because people did not differentiate between the

Ford and Nixon administrations.

Asked if he intended to run again for the presidency, he replied: "I haven't said I was or I wasn't. I have learned over the last several years that it is better not to be categorical in saying yes or no. So I am just going to keep my eyes and ears open and enjoy myself, do some constructive things. I am getting a lot of people who are urging me to look at 1980."

Asked what his response was, Mr. Ford replied, "I am listening."

## Schultze Sees A 'Voluntary' Inflation Plan

By Hobart Rowen

WASHINGTON, Jan. 12 (WP).—President-elect Jimmy Carter's nominee for chief economic adviser, Charles Schultze, said yesterday that the incoming administration would propose "an effective and voluntary" anti-inflation program soon after taking office.

In his confirmation hearing before the Senate Banking Committee, for the post of chairman of the Council of Economic Advisers, Mr. Schultze appeared to back away from Mr. Carter's earlier interest in numerical wage-price guidelines.

Mr. Schultze instead spoke of the need to develop "an informal incomes policy which would helpfully provide kind of guiding principles" to reduce inflation.

Although he indicated that he was willing to change his mind later, Mr. Schultze said his "initial reaction" is to oppose "pre-negotiation" by industry and labor of planned wage or price increases.

He said that if the Council on Wage and Price Stability (CWPS) and its staff are operating well, pre-negotiation may not be necessary. That council is the government's existing price-monitoring agency. It has few formal powers.

**Dropped Demand**  
In a briefing at Plains, Ga., on July 18, Mr. Carter suggested a pre-negotiation period of 30 to 90 days, and a 6-per-cent voluntary price guideline after consultations with business and labor.

Just after the election, in an effort to assuage business concern, Mr. Carter dropped his campaign demand for stand-by wage and price controls.

The anti-inflation goal, Mr. Schultze said, should simply be to reduce this year's inflation below last year's rate, and then seek further reductions. He refused to specify a figure, saying "It's the trend that's important."

In a wide-ranging session that lasted almost three hours, Mr. Schultze defended Mr. Carter's two-year economic stimulus package as the right blend of temporary and permanent measures that would speed a return to full employment.

**4-Per-Cent Target**  
He resisted defining full employment, but under persistent questioning by Sen. Edward Brooke, R-Mass., finally said, "I would embrace [a target] in the range of 4 per cent unemployment."

Mr. Schultze, who said he expected "to share the burden" of making major economic policy statements with Treasury Secretary-designate Michael Blumenthal, predicted that the unemployment rate—with the help of the Carter package—could fall as low as 6.5 per cent by the end of this year, "and will move toward and hopefully through 5 per cent" by the end of next year.

But he said that it was unlikely that unemployment could be pushed below 5.5 per cent "by normal means and monetary measures." Therefore, the Carter administration intends to press immediately "by every means possible, but without overpromising," to cut the rate below 5 per cent by a direct attack on unemployment, through training and other programs.

**Revision Weighed**  
They testified before the Senate Budget Committee, which is considering whether to revise the budget it adopted last September because the economy is weaker than predicted.

The Carter program would spend between \$23 billion and \$30 billion during the next two years. Mr. McCracken, a conservative economist, said he would devise a package as big as \$24 billion a year. Mr. Heller, a liberal, joked that he was "just a little more cautious than my radical friend [Mr. McCracken] and suggested a \$20-billion program. But Mr. Heller also said, "I wouldn't seriously object to \$24 billion."

Mr. Carter reportedly relied heavily on his designate for director of the Office of Management and Budget, Bert Lance, who argued that an annual package bigger than \$15 billion would enlarge the federal deficit too much and lose some business community confidence.

The Congressional Budget Office analysis of the package that Mrs. Rivlin said seems similar to the Carter proposals would reduce the unemployment rate by about 45 percentage points below where it otherwise would have been, a range from between 6.5 per cent to 7.4 per cent. The unemployment rate last month was 7.5 per cent.

Economic growth would be raised to between 4.5 per cent and 6 per cent, it was estimated.

**2 Opposition Leaders To Retire in Norway**  
OSLO, Jan. 12 (Reuters).—Two of Norway's three main opposition leaders have said that they would not seek re-election at their party congresses next April. Both Kaare Kristiansen, who leads the Christian People's party, and Dagfinn Varvik, leader of the center (Agrarian) party, had been considered likely candidates for the post of premier if the two parties, working with the Conservatives, succeeded in ousting Labor in the autumn general elections.



Sen. John Stennis, D-Miss., and Harold Brown (right).

## Brown Downgrades Chance Of Pentagon Spending Cuts

By Don Oberdorfer

WASHINGTON, Jan. 12 (WP).—Secretary of Defense-designate Harold Brown yesterday downgraded the chances for military spending cuts and said the Pentagon budget may have to increase at a faster rate than inflation in the next few years.

In five hours of testimony before the Senate Armed Services Committee, Mr. Brown did not abandon President-elect Jimmy

## Carter Plan For Economy Called Modest

By James L. Rowe Jr.

WASHINGTON, Jan. 12 (WP).—President-elect Jimmy Carter's proposed tax and spending program is probably too modest to enable him to reach his goals of lowering the U.S. unemployment rate to 6.5 per cent by year's end and boosting the economic growth rate to 6 per cent, three leading economists testified yesterday.

None of the economists—the director of the Congressional Budget Office and two former chairmen of the Council of Economic Advisers—called the program inadequate, but each implied that the amount of economic stimulus it contained was too little.

An analysis of a set of proposals similar to Mr. Carter's by Congressional Budget Office director Alice Rivlin indicated the President-elect could reach his targets only if every "optimistic" assumption in her forecast came true.

And both economic advisers—Paul McCracken, who headed Richard Nixon's council, and Walter Heller, who headed the panel under John Kennedy and Lyndon Johnson—called for programs bigger than the one proposed late last week by Mr. Carter.

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## Racial Integration Case in U.S.

## Court Denies Suburb's Duty To Aid City's Housing Plans

By Lesley Oelsner

WASHINGTON, Jan. 12 (NYT).—The Supreme Court ruled 5 to 3 yesterday that it is not inherently unconstitutional for a suburb to refuse to change zoning restrictions whose practical effect is to block construction of racially integrated low and moderate-income housing.

The court held, in a case involving the nearly all-white Chicago suburb of Arlington Heights, that a suburb's refusal to rezone is not an unconstitutional just because it has a "racially disproportionate impact."

For such a refusal to be held unconstitutional, the court said, there must also be evidence of an "intent" or a "purpose" to discriminate—in other words, the suburb must be shown to have acted so as to keep out minority-group members.

The court said in a footnote, however, that even if the suburb was "motivated in part by a racially discriminatory purpose," its action would not necessarily be unconstitutional.

**Other Justification**  
The footnote, citing a principle that the court described yesterday in another decision, said that so long as the suburb could prove that it would have refused the rezoning anyway, for reasons other than the discriminatory one, its action could be permitted.

The court's decision is a serious blow for those who wish to force the suburbs to share in solving problems, such as housing, of the nation's inner cities.

The decision reverses a U.S. appeals court ruling that Arlington Heights violated the 14th Amendment's guarantee of equal protection of the laws when it refused to rezone a parcel of land for would-be developers of a project.

The appeals court had relied in part on the pattern of residential segregation in the Chicago area. It had ruled that Arlington Heights could not "ignore" the problem, just because it had not directly caused it.

**Various Implications**  
The Supreme Court refused to take that approach. In broad social terms, it refused to place on the suburbs an affirmative duty to help provide solutions for the inner cities' housing problem.

## Okinawa Radio Closing

TOKYO, Jan. 12 (Reuters).—The Far East Broadcasting Co., a private American radio station which has broadcast to U.S. forces on Okinawa since 1968, is to close next Saturday, the Japanese government said.

Several members of Congress said the spy-type apparatus could be used for illegal gathering of evidence.

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Attorney-General-designate Griffin Bell at Senate hearing.

## Bell, on Civil Rights Issues, Terms Himself a 'Moderate'

By John M. Goshko

WASHINGTON, Jan. 12 (WP).—Griffin Bell, the most controversial of President-elect Jimmy Carter's Cabinet choices, described himself yesterday as a moderate who would defend the rights of all Americans if he is confirmed as attorney general.

Testifying at a Senate Judiciary Committee confirmation hearing, Mr. Bell, 58, was questioned sharply about his positions on civil rights when he was an Atlanta lawyer and a U.S. Appeals Court judge.

Liberal members of the committee put particular emphasis on questioning Mr. Bell about his role as a legal adviser to former Georgia Gov. Ernest Vandiver's "massive resistance" to school desegregation during the 1950s and his 1970 recommendation of Harold Carswell for the Supreme Court.

Mr. Bell replied that, in all matters involving civil rights, he had tried to act as "a force for moderation." That applied, he said, both to the advice he had given Gov. Vandiver and to his later decisions while serving as a federal judge.

"I never professed to be an activist. I never professed to be an extreme liberal," he said. "I am a moderate."

Mr. Bell's nomination for the highest legal post in the administration has stirred heavy opposition from a number of civil rights and liberal groups, including the National Association for the Advancement of Colored People, Americans for Democratic Action, the congressional Black Caucus and the National Organization for Women.

He is expected, however, to win the endorsement of the committee and, following Mr. Carter's inauguration, confirmation by the full Senate.

As part of his effort to assuage the opposition, Mr. Bell has promised to give an unspecified number of key Justice Department jobs to blacks. During the questioning, he confirmed that he has selected Wade McCree Jr., 56, a black U.S. Appeals Court judge, as solicitor general, the department's third-ranking position.

The hearing on Mr. Bell is expected to continue for several days. Several Senate sources said that Mr. Bell's liberal interrogators are using the hearings not to stop his nomination, but to "educate" him about the concerns of the civil rights bloc and obtain his commitment to vigorous civil rights enforcement.

## Businesses, Unions Asked to Give Toward Carter's Inaugural Events

WASHINGTON, Jan. 12 (NYT).—More than 200 corporation executives and officials of labor unions and trade associations were asked yesterday to contribute a total of \$350,000 by the end of this week to help pay for President-elect Jimmy Carter's inaugural celebration next week.

The plea for money came at a \$10-a-plate breakfast given by the Inaugural Committee at the Federal City Club here. Among those who spoke at the fund-raiser were Bert Lance, Mr. Carter's choice to be director of the Office of Management and Budget, and Chip Carter, the President-elect's son.

According to people who were there, so many lobbyists and Washington representatives of firms attended that some had to stand in line for half an hour to hang up their coats and many could not be seated at the breakfast tables.

In November, the Federal Election Commission ruled that donations to the Inaugural Committee were not political contributions and were not subject to the same restrictions as political gifts. That means that corporations and unions may give money and that a list of donors does not have to be published.

The Inaugural Committee said that the private donations were needed to pay for the many free cultural events that are planned for Inauguration Week here. As of Monday, the committee had raised about \$70,000.

## Vance Asserts U.S. Mistake In Vietnam Made Him Wiser

(Continued from Page 1)

guerrilla forces in that environment. But when Sen. McGovern sought to get Mr. Vance's admission that the incidents against U.S. ships in the Gulf of Tonkin in 1964 that produced a congressional resolution giving President Lyndon Johnson wide freedom of action in Vietnam were "fabricated" by that administration, Mr. Vance refused to agree.

He insisted that he and Defense Secretary Robert McNamara honestly believed that the North Vietnamese were trying to launch a provocation against the two U.S. destroyers involved in the incident.

On other matters, Mr. Vance assured the committee that he would give priority to seeking agreements with the Soviet Union since these are "war and peace" issues, and to consolidating relations with U.S. allies.

## Other Areas

His replies on specific matters were:

**Middle East**—"A difficult and thorny path" lies ahead, but chances are good for an agreement. Israel's defense needs must be met, he said. But he refused to rule out military sales

to Egypt, and said other arms sales to Arab countries would be judged on security needs and the effects on the arms power balance. He said that "legitimate interests of the Palestine Liberation Organization" must be taken into account, but later amended it to "Palestinians," since Israel will not deal with the P.L.O.

**Cuba**—"The trade boycott has been ineffective. If Cuba was willing to 'live in the system of states,' ways should be sought for normalization—an allusion, perhaps, to removal of Cuban troops from Angola.

**Southern Africa**—Strong support would be given to the British effort to reach a negotiated solution for majority rule in Rhodesia; ways would be sought to revive talks on independence for South-West Africa (Namibia) and the Carter administration would oppose by word and action apartheid in South Africa.

## 32 Die in Bus Plunge

NEW DELHI, Jan. 12 (UPI).

Thirty-two persons were killed and 29 others injured yesterday when a bus fell into a ditch about 60 miles northeast of Calcutta, India's Samachar news agency reported.



## The French Abjection

Three things stand out from the fog of extradition legalisms swirling in Paris concerning Abou Daoud, a Palestinian accused of planning the terror killings of Israeli athletes at the Munich Olympic Games.

1. He is clearly a leader in the Palestinian terror movement. He once admitted on television, to a role in the Munich massacre. His release from prison in Jordan in 1973 was important enough to that movement to generate the terrorist attack in which the U.S. ambassador to the Sudan was killed.

2. He was released Tuesday and with confounding haste. Both Israel and West Germany sought to extradite him for prosecution. French law would have permitted this detention for 18 days pending perfection of the extradition requests. Yet after a

hearing Tuesday, he was rushed to a first-class seat on a plane bound for Algeria.

3. Especially recently, the French government has taken an increasingly hard line concerning terrorists. It acted decisively and sternly against Croatian hijackers of a U.S. plane last year. It recently agreed to a Common Market agreement on extradition of terrorists. It has advocated severe anti-terror measures.

Laws concerning extradition are often subjective; government policy often can and should affect judicial views. So the detached or legalistic explanations so far offered can hardly explain these disarming contradictions. Without more, the French government leaves a sad but unmistakable impression—of a great nation willing to look foolish, abject, even cowardly, at the thought of blackmail by terror.

THE NEW YORK TIMES.

Abou Daoud, alleged leader of the Munich Olympic massacre, was in Algeria Tuesday, courtesy of the government of France. He had slipped into Paris last week to attend a slain colleague's funeral. French officials knew exactly who he was; he was even received at the Foreign Ministry. They admitted him out of the familiar considerations which led France some years ago to mortgage its foreign policy to Arab oil and Arab markets—no matter that the actual fruits of this bootlicking policy are nonexistent. In fact, it was only by inadvertence that Mr. Daoud was even briefly inconvenienced. A "Black September" colleague, the mysterious "Carlos," had murdered two officers of a French police branch in 1975 and the branch, tipped off—in one version—by the Israeli, thought Mr. Daoud was fair game under the law. He was arrested. Within a few days the French government, moving with a haste that pre-empted West German and Israeli extradition requests, arranged for a court to let him go free.

The wonder is not that a suspected terrorist was sent off to plan who knows what other crimes—oh, how the French will pine if the future victims are Israelis. (One past victim of Mr. Daoud's organization was the U.S. ambassador in Khartoum; he was killed while being held hostage against the release of Mr. Daoud from a previous incarceration, in Jordan in 1973.) The wonder is

that he was arrested and held at all. As it was, the Arabs had only to crook a finger at this formerly self-respecting nation, one which in its Gaullist years had elevated sovereignty virtually to a religion, to induce it to consummate its own humiliation. France wished to avoid complicating its relations with its Arab friends. It also wished to slough off the burden of holding a prisoner whose comrades might be tempted to take additional hostages to free him. All this seemed more important to Paris than acting with dignity.

Say what you will of the French government—it is not easily shamed. Counter-attacking against the criticism it expected to receive (and is receiving) for releasing Mr. Daoud, it suggests—as we read the un-sourced news reports from Paris—that Israel had a suspect motive in wanting him arrested and publicly tried. That motive was not simply to combat terrorism, the French suggest, but to tar all Palestinians with a terrorist brush and thereby to blunt the building pressures to seat the Palestinians at a Geneva peace conference. The suggestion overlooks, however, the larger reality that there is nothing contradictory—indeed, there is much that is consistent—between fighting terrorism and searching for peace. France may have opted out of both activities. There is little reason to think it will be sorely missed.

THE WASHINGTON POST.

## International Opinion

### The Release of Abou Daoud

The release of Abou Daoud by the French government must lead Israel to two conclusions. One is that Paris does not back away from covering up Arab terror groups, thus encouraging them. The second, which isn't new, is that Paris ceased long ago to keep even a semblance of neutrality in the Israeli-Arab conflict. One must make world opinion aware of these conclusions, so as, among others, to frustrate French pretensions to be among the peace makers in the Middle East. Explaining the essence of contemporary France isn't a happy task. This country has enjoyed in the past, and with right, world admiration. But that is gone: The French government of today doesn't even know how and when to be ashamed.

—From Haaretz (Tel Aviv).

There is only one word for what France has done: contemptible.

—From the Daily Mail (London).

France's precipitate release of the Arab suspected terrorist, Abou Daoud, and his subsequent immediate departure on a flight to Algiers, is a setback for recent moves toward strengthening international cooperation in combating terrorism. French actions seem to have been wholly dictated by expediency and a fear of possible consequences.

—From the Daily Telegraph (London).

French foreign policy is devoted to close cooperation with Arab states and institutions, and Mr. Giscard d'Estaing is to illumine this policy in two weeks' time on a visit to Saudi Arabia. But is it naive to suggest that the courts ought not so cravenly to abdicate their duty because the Quai d'Orsay might be put out? Is the long-term independence of the judges not worth more than a moment's expediency?

—From the Guardian (London).

In truth all authorities are satisfied with the release. France will not have to worry about its allegedly wonderful relations with

the Arabs. The Federal Republic of Germany is happy to be rid of a trial even before it began that would have made it the target of new Palestinian terror. One cannot even be sure of the indignation of the government in Jerusalem. Israel is seeking in secret contacts with the Palestinians a Near East settlement. Perhaps it could do without an imprisoned Abou Daoud right now.

—From the Frankfurter Allgemeine Zeitung (Frankfurt).

France... has ignored diplomatic commitments regarding terrorists. It has considered all as more important. And once again Arab solidarity in favor of the Palestinian commandos has functioned.

—From Ya (Madrid).

The struggle against terrorism has suffered a grave defeat. It was not unexpected that France would release Daoud. France is one of the most immoral countries in the world when it comes to foreign policy.

—From Expressen (Stockholm).

The Abou Daoud affair poses, alas, a question. Is France still an independent country, free to make its own policies and decisions? And beyond that, is there a single European country today that doesn't tremble before someone—East, West, North, or South? Every day that passes, Europe pays the price of its disunity.

—From L'Aurore (Paris).

The Arab world may feel gratitude toward France after the decision to release Abou Daoud, but it certainly couldn't feel esteem or respect.

—From France-Soir (Paris).

A police which does not follow orders, a judiciary system which does and a government which—in the face of French and worldwide opinion—makes national interest the overriding factor under the very worst conditions... What a sorry balance sheet.

—From Le Monde (Paris).

## In the International Edition

### Seventy-Five Years Ago

January 13, 1902  
PHILADELPHIA—"The way in which China has been treated is a disgrace to Christian Europe and to Christian values everywhere. Only Japan and the United States, to some extent, have done the fair, the square, the honest thing. What the other nations have done, and continue to do, when practiced on a small scale and by individuals, is known as robbery," said the Inquirer in an editorial this morning.

### Fifty Years Ago

January 13, 1927  
NEW YORK—"Abie's Irish Rose," which the dramatic critics panned upon some five years ago, calling it "trash, trash and rubbish," went into its 2,000th performance last night at the Republic Theatre. Indications are that the popularity of the play is undiminished. The critics still don't like the play but author Anne Nichols keeps counting the money from this production and 19 road shows.



## Carter and the Courts—A Real Challenge

By James Reston

WASHINGTON.—President-elect Carter's appointments to the Cabinet, the sub-cabinet and the White House staff are getting most of the attention these days, but in the long run, his selection of federal judges may be equally or even more important. And here he has a problem: several problems.

He is on notice from the Chief Justice of the United States, Warren Burger, among others, that the federal judges of the United States are overworked and underpaid, and that his ability to recruit and hold superior men and women for the bench will decline into a serious crisis if present trends continue.

Resignations from the federal courts for financial reasons hardly seem to justify the present cries of alarm, but Carter obviously has some difficulties. There are now five federal Circuit Court vacancies out of 97; and 19 federal District Court vacancies out of 369, but these figures underestimate the problem.

### Fundamental Test

Thus, if these recommendations are approved by the Congress, Carter will have the challenge and opportunity of appointing 146 new federal judges or almost a quarter of the entire federal judiciary. This will be a fundamental test of Carter's political and judicial philosophy, and may tell us more about the direction of his new administration than anything else.

On what principle will he select them? On the principle of the title of his autobiography, "Why Not the Best?" On the principle that seems to have guided his choice of a Cabinet—balance, political consensus, and managerial skill—so many from each region of the nation, so many from the deprived constituencies—blacks, women, Chicanos, etc.

He faces other troubling questions in this field. How to choose a deputy attorney-general, who usually has responsibility for recommending federal judges? There is already a tussle behind the scenes over this job, particularly after Carter's controversial nomination of Griffin Bell of Atlanta to be attorney-general.

Carter suggested during the election campaign that he favored minimizing political appointments to the federal judiciary. Griffin Bell has talked about establishing state commissions to select judges, and this is now being debated within the Carter team and discussed tentatively with leaders of the Congress. But proposals of this sort cut across the Senate tradition of "personal privilege," which gives senators the power to approve or veto judicial appointments from their respective states.

This is likely to be another interesting test of Carter's philosophy and his ability to come to terms with the leaders of his own party in the Congress. Then there is the important threshold question of judicial salaries, and what Carter thinks about them and can persuade the Congress to do about them.

### Possible Dilemma

The President-elect has shown little enthusiasm since his election for increasing either the size of staffs or their salaries. When he was given a salary list for his own transition staff by his own people, he cut it personally by over 20 per cent. When they gave him an estimate on the minimum number of people they thought he needed in the executive office of the president, he cut it by 30 per cent. So he may have a dilemma here between his desire for "the best" judges available and what he

and the Congress are willing to pay for them.

"The Commission on Executive, Legislative and Judicial Salaries" has just made a report on this problem. It notes that from 1969-1976, federal judicial salaries rose by 5 per cent, while the consumer price index for urban wage earners and clerical employees went up by over 70 per cent; the general schedule federal civil service pay increased on the average by over 65 per cent; executive pay in 318 top private companies increased during those same seven years by over 82 per cent; and in 15 major state governments, during this time, the governor's pay jumped over 37 per cent.

The salary commission report also emphasized these points: "There was a 'substantial' feeling throughout the country that there is something wrong with people who cannot live adequately, even graciously, on \$44,000 per year."

But the competition for superior legal minds, and the rising rate of inflation, was putting unusual pressure on judges to relate to more lucrative legal practices, and discouraging the most talented lawyers from accepting judicial appointments.

"Judges have made, or want to make, a long-term career decision. There is no opportunity for them to recoup later on, and this group forges more outside earning opportunity than any other in federal service."

Deputy Attorney-General Harold Tyler, whose job includes a major responsibility in connection with the selection and nomination of candidates for the federal bench, gave it as his

"firm opinion that in the last 19 months there has been strong circumstantial evidence, if not direct evidence, that current pay scales in vogue for the last several years are discouraging qualified men and women, particularly in the age group from 40 to 55 years, from considering taking a judicial appointment."

Jimmy Carter and his embattled nominee as attorney-general, Griffin Bell, obviously have more urgent questions on their minds for the moment than what to do about the qualities, salaries and political acceptabilities of federal judges, but sooner or later they're going to have to argue this out among themselves and on Capitol Hill.

For when Carter asks, "Why not the best?" this is one of those fundamental problems that will put his question to the test.

## Fragility in Southeast Asia

By Robert Shaplen

HONG KONG.—Of all the nations of Southeast Asia, aside from Burma which reveals in self-deception yet can't conceal its desperate economic plight, Thailand and Malaysia are the most deceptive and fragile for a number of separate yet related reasons. Both nations have essentially sound economies with growing opportunities for foreign and domestic investment. Both appear on the surface to have strong authoritarian governments which, while they may not meet Western democratic standards, may be better suited to their peculiar Asian societies than most Westerners suppose. Why, then, are they insecure and fragile states?

Part of the answer is geopolitical. Both are precariously located at the end of the Southeast Asian peninsula, over which the shadow of Asian Communism hangs heavily. Vietnamese and Chinese primarily, but also Cambodian, Lao and, in a more subtle but equally ominous fashion, Soviet Communism. Both countries are confronted with overlapping insurgency movements which, while still small and containable, seem bound to grow and to be increasingly inspired and supported by the Communist nations to the north, particularly Vietnam.

The Communist timetable for the dismemberment and takeover of Thailand is said to be five years. At the moment there are slightly less than 9,000 armed Communist insurgents, mostly in the north and northeast, plus 3,000 guerrillas of the Malaysian Communist party who use the jungles of southern Thailand as a sanctuary. In the past few weeks, in the north and south and elsewhere in the country, too, the total number of daily attacks by the Communists on government police stations, outposts and ordinary villages has risen from an average of four to six. This is a natural dry-season increase, but the pattern of attacks has been bolder than usual.

### Ominous Moves

The new Thai military regime, which on Oct. 6 ended Thailand's three-year experiment in democracy, has been heavily publicizing this Communist threat, as the Malaysians are also doing. And at the same time the Communist party of Thailand, in its anniversary statements and regular broadcasts over the Voice of the People of Thailand, probably located in Yunnan, south China, has been stepping up its propaganda since the October coup, as to a lesser extent the Malaysian Communist party has too.

That this war of words presages a major confrontation sooner rather than later remains doubtful. But there are some other ominous developments. In the past few weeks, three new Vietnamese regiments have moved into northern and southern Laos, bringing the total number of Hanou forces in Laos back over 40,000. The troop movements are

probably the result of a fresh surge in the anti-Communist resistance inside Laos. Over the past year, this resistance has fluctuated and, while it remains isolated and uncoordinated, the Pathet Lao have proved themselves incapable of subduing and controlling it, or of offering sufficient protection to Russian-sponsored aid projects in Laos, which include the building of a new capital at Phongsavan, on the Plain des Jarres. This seems to be the chief reason for Hanou's beefing up of troops.

However, Hanou's move could also be calculated to create more jitters in already jittery Thailand. It is probably true that the Vietnamese will concentrate for the next few years on their own internal economic and political problems—the south has proved as hard to swallow as many observers predicted—but such concentration does not preclude simultaneous efforts to weaken Thailand's spirit and fiber, which have never been very strong, and to sow more disension among the still-divided Thais.

### Inevitable

Which brings us back to fragility. Sad as it was to watch happen, the end of Thailand's latest and perhaps last experiment in democracy was inevitable. The government headed by Seni Pramoj, a well-meaning but tired old man, was totally incompetent and destructively factionalized, and it was simply a question of how and when the military would make its move. The nation as a whole, including the younger generation, was thoroughly polarized into left and right-wing groups which operated less out of ideological conviction or programmatic logic than blind force and rampant opportunism.

The question remains—what now? The new regime is a strange, three-headed creature consisting of ranking military officers, an unimposing civilian Cabinet of hard-line anti-Communists, and a nondescript though military-dominated Assembly which, for at least the next four years, can be little but a rubber stamp.

The possibility of another military coup to "clarify" or "solidify" the situation and do away with the last vestiges of democratic pretense is not to be discounted. More importantly, over the long run, the October coup is likely to play into the hands of the Communists. A new and ineffective dictatorship can be more readily targeted and attacked on all levels than a democracy, however weak it was.

The Malaysians, facing their smaller but better organized insurgency, were not unhappy about the Thai coup. The return of the military to power in Thailand has helped restore closer cooperation between the Thai-Malaysian forces and reestablished the principle of hot pursuit across the border for the police and army elements of both countries. But so far, the recent

wave of Communist attacks has kept these forces on the defensive.

Significantly, too, the Communists are making some progress in recruiting Malays as well as Chinese, both as guerrillas and as underground sources of food and other supplies. During the so-called emergency of the "fifties" the insurgents were all Chinese and they were eventually successfully isolated, pursued and worn down by the British. A more racially mixed insurgency adds another dangerous element to Malaysia's already explosive communal problems.

Politically, Malaysia is also far more fragile than it appears. The ruling body, the United Malays' National Organisation (UMNO), which dominates a loose front of about 10 Malay, Chinese and Indian parties, is facing its biggest crisis in a decade as a result of accusations of Communist penetration in its highest ranks. The complicated series of charges, originally stemming from the arrest of an alleged top Communist, a newspaper editor in Kuala Lumpur who was also a close confidant of UMNO leaders, have been utilized by the Malay ultra-rightists to attack the present leadership of Premier Hussein Yunos. As a result, UMNO now faces an internal struggle that could easily destroy it and could, in turn, lead to renewed racial or communal strife that nearly tore Malaysia apart in 1969. The intra-Malay contest in Malaysia today is as important as the Chinese-Malay contest.

Thus, what is happening internally in Malaysia, as in Thailand, has made both countries more insecure, and this obviously suits the long-term objectives of the Communists. Neither nation is in any imminent danger of collapse, and both remain relatively prosperous for the moment. But the figures in the authoritarian mansions of each are, in their respective ways, firm believers of trouble ahead, and Hanou, Moscow and Peking, despite their diplomatic recognition of Thailand and Malaysia, are clearly picking up the sensitive signals.

Even if the British do get their parties back to Geneva, the future seems bleak for the Thais. Rather, it points to collapse of the West's best efforts to prevent a racial bloodbath, and the over appearance of a Soviet scavenger ready to promote civil war in Rhodesia, just as the Russian did in Angola.

In Angola, the U.S. Congress refused to allow the Ford administration to raise a finger of aid to the West. Repeatedly, of that world go far toward elevating the Soviets to political power in southern Africa. That African raw materials and control of sea lanes around the Cape of Good Hope just happen to be essential for the West's security has made no impression yet on Capitol Hill.

## Russians, Rhodesia And More

By Evans and Novak

WASHINGTON.—The apparent failure of the U.S. effort for peaceful transfer of political power from whites to blacks in Rhodesia is triggering direct Soviet intervention there, a move fraught with peril for the Western democracies.

The prospect this raises of dominant Soviet role in Rhodesia, transcending the fortunes of white settlers and black militants, goes to the heart of U.S. and Western security: access to raw materials and control of sea lanes. Accordingly, the price will be high if Congress ignores the Kremlin's move into Rhodesia (or Zimbabwe) in 1977 as did the Soviet Angola takeover of 1975.

For the past several months according to well-informed Third World diplomats, a direct Soviet bid for an overt super-power role in racially convulsed southern Africa was rebuffed by the so-called "front-line" African states. These five newly independent countries quickly advised Moscow to keep out, despite a secret deal for Soviet weapons to Mozambique (one of the front-line states) and heavy Soviet political and economic influence there and in Angola and Tanzania (the others).

When Moscow secretly approached the "front-line" countries in late December for permission for a state visit, Soviet President Nikolai Podgorniy, the first such visit to southern Africa, the answer was unequivocal: Stay home, Nik!

Now, however, Moscow has received clearance for Podgorniy's visit (probably in March). The African countries who wanted Soviet interference while the U.S. and Great Britain were seeking a peaceful solution have a party going up on the Anglo-American effort.

### Soviet Favorite

This assures a direct Russian entry smack into the world's most emotionally charged racial and political issue: black majority rule in Rhodesia. Following quickly will be the yet more intractable case of South Africa. This signals a far more daring Soviet policy in picking a winner among contestants for black power in Rhodesia, and Western experts are now certain the Soviet favorite will be an extreme guerrilla leader—Robert Mugabe or somebody equally sinister.

Thus, the Rhodesian stage is being tragically set to repeat the Angola, when Moscow's all-out diplomatic and military support (especially troops from Fidel Castro's Cuba) carried the day for the pro-Communist forces against Western-backed non-Communist factions.

The final failure of British Rhodesia plan, to peacefully transfer power over 20 years to 7 million blacks from 700,000 whites, is becoming all but inevitable. That plan was given London by Secretary of State Henry Kissinger after he forced agreement by Rhodesian Prime Minister Ian Smith.

Smith's government never put to the test of fulfilling its agreement with Kissinger. Black while Rhodesian talks broke down in Geneva Dec. 14, because of Smith's obduracy but because various black factions competing for preferred political position over their opposition could not agree among themselves. Thus, the futility of the West is complete.

Political fratricide among the conflicting black factions now lays Rhodesia's black majority wide open for Soviet mischief. Moreover, the "front-line" states seeking a peaceful solution to Rhodesia are also subjected to political rivalries among themselves that make the Western role almost impossible.

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## Henry Ford 2d Criticizes Family's Foundation and Leaves It

By Maurice Carroll

NEW YORK, Jan. 12 (NYT).—Henry Ford 2d resigned as a trustee of the Ford Foundation yesterday, complaining that the philanthropic agency was spreading "a fortress mentality" and had a staff that often failed to appreciate the capitalist system that provided the money the foundation gave away.

The resignation of Mr. Ford, who is chairman of the Ford Motor Co., left one of the nation's largest tax-exempt foundations without a representative of the family that founded it. Mr. Ford's brother Benson quit last year.

According to aides of Mr. Ford and officials of the foundation, there was no specific event that precipitated either his resignation or his criticism.

There really wasn't a blow-up, said McGeorge Bundy, the foundation president. "There is neither more nor less to this than meets the eye."

"The letter should speak for

itself," a spokesman for Mr. Ford said at the automobile company's offices in Dearborn, Mich.

The spokesman said that Mr. Ford himself had approved the foundation's press release about his resignation, quoting only two paragraphs of praise for the trustees from his four-page letter.

But in the letter to Alexander Heard, the foundation chairman, the text of which leaked out yesterday, Mr. Ford wrote:

"I'm not playing the role of the hard-headed tycoon who thinks all philanthropists are socialists and all university professors are Communists. I'm just suggesting to the trustees and the staff that the system that makes the foundation possible very probably is worth preserving."

"Perhaps it is time for the trustees and staff to examine the question of our obligations to our economic system and to consider how the foundation, as one of the system's most prominent offshoots, might act most wisely to strengthen and improve its progenitor."

He wrote that the foundation

had spread itself into such a variety of areas that the public perception of its mission was "blurred." Despite its boast of aiding the experimental, he wrote: "We stick with some programs for years and years—Office of the Arts being a prime example. Are we an on-going funding agency or are we courageous backers of innovation?"

"Not Invented Here" And he said that he had detected some signs of a "fortress mentality," particularly among staff people. "The 'not invented here' attitude," he wrote, "robs an organization of the benefits of new thinking."

Mr. Bundy, who said in the press release that the Ford resignation "gives us a chance, at long last, to thank him publicly for his unique role in our history," commented further after the full text of the letter became public.

"One of the things we've always valued about Henry Ford is candor," he said.

He said he felt that Mr. Ford was "absolutely right" that the

foundation should be "on guard against a fortress mentality."

He declined to discuss Mr. Ford's specific criticisms in any detail. "As he says," Mr. Bundy said, "if he were doing it, we would probably get out of the arts. We don't agree." The foundation is cutting back overall, he said, and with respect to the arts, the board decision has been "to cut back and change direction."

Total for Arts The Arts Office, one of the subdivisions of the foundation, approved some \$83 million in 1976 grants, about 3 per cent of the year's total. It was the one area in which, apparently, there was a major difference between Mr. Ford and his fellow trustees.

Established in 1936 by Henry Ford and his son Edsel, the foundation made grants of about \$2 million a year, mostly in Michigan. But in 1950, after settlement of the estates of the founders ballooned its assets, the foundation began giving away money on a national and international scale.



Henry Ford 2d

His grants since 1950 have totaled some \$4 billion.

Even after a cutback in the annual package was announced in 1974, the dispersal remained sizable—\$241.7 million that year, then \$195.2 million in 1975. Last year, \$150.9 million went to 800 organizations and 1,145 individuals, according to Mr. Bundy's review in the annual report.

## Conflicting Testimony Marks Close of Longet Prosecution

By John Hurst

ASPEN, Colo., Jan. 12.—The prosecution in the trial of Claudine Longet on reckless-manslaughter charges rested its case yesterday after a restaurant and his wife testified that singer Andy Williams told them his ex-wife, the defendant, "is a crazy chick" and likes to take chances.

Mr. Williams had testified during the morning session that he made no such statement.

It was one of two major conflicts in the testimony of witnesses for the prosecution in the second day of its case against the 34-year-old former showgirl, who faces up to 10 years in prison if convicted.

Earlier in the day, two law enforcement officers differed in their testimony over whether Miss Longet had stated that the safety catch was in the "on" or "off" position on the .32-caliber pistol she was holding when a single bullet discharged and killed her lover, professional skier Vladimir Sabich, last March 21 in his mountain chalet, which they shared.

Similar Accounts Mr. and Mrs. Peter Greene recounted similar versions of the "crazy" statement that Mr. Williams allegedly made to them last March 27.

The last of 17 prosecution witnesses, they were called to the stand by Deputy District Attorney Ashley Anderson to rebut Mr. Williams's morning testimony.

After Mr. Williams told him on March 21 that the shooting was accidental and that he believed her, Mr. Anderson asked him:

"Do you recall telling the Greenses that you believed what she said because she (Miss Longet) is a crazy kind of gal who likes to drive fast, ski fast and take chances?"

The singer replied: "I never would have said that Claudine was crazy. I never would have said, 'She is a crazy kind of gal.' And I would not have said she likes to take chances."

Mr. Williams went on to describe his feelings when he and

Miss Longet arrived at the Greenses' residence to pick up the couple's three children, who had gone there to stay after the shooting the day before.

"I was very emotional," Mr. Williams said. "I'm easily emotional, anyway. I was crying when I saw my kids. I may very well have said (to the Greenses) something like, 'I can't believe this whole thing. It's all crazy. Thank you for taking care of the children.' I was crying."

Another Version But in the afternoon court session, Mr. Greene described Mr. Williams's statement to him this way: "He said that she's a crazy chick and that she likes to ski fast and drive fast."

Earlier, Sheriff's Deputy Mary Wiggins testified that she heard Miss Longet tell Aspen policeman David Garms that she thought the safety was in the "on" position on the gun that killed Mr. Sabich.

Mr. Garms admitted under cross-examination that Deputy



Claudine Longet in Aspen.

Wiggins was equally close to Miss Longet during the conversation, but insisted that the defendant had told him that Mr. Sabich assured her the safety was in the "off" position before she "playfully" pointed it at him and said "bang-bang."

© Los Angeles Times

## Excluding Argo Merchant

### Tanker Losses, Amount of Oil Spilled Set a Record in 1976

By John Kifer

BOSTON, Jan. 12 (NYT).—Records for oil tanker losses and the amount of oil spilled into the oceans were set in the first nine months of last year—well before the wreck of the Argo Merchant and the current rash of tanker mishaps—according to industry figures.

Thirteen tankers were declared a total loss in the first nine months of last year, according to the Tanker Advisory Center, an industry organization based in New York City.

The ships had a capacity of 940,000 deadweight tons, the center said in its third-quarter report, exceeding "the 815,000-deadweight tons lost during the entire year of 1975, which had the all-time record."

Unfortunate Record What the report described as another "unfortunate record" was also set by the spillage of 398,777 tons of oil into the world's waters in the nine-month period. This does not include the Argo Merchant spill, the largest off a U.S. coast, which occurred last month.

In the nine months, the report said, there were 504 incidents recorded involving oil tankers, including 15 collisions between moving vessels, 50 fires, 164 "contacts" when a ship struck bottom, the dock or some other object and numerous other vicissitudes.

The wreck of the Argo Merchant and seven other accidents off U.S. shores last month involving oil tankers flying the Liberian flag have raised questions about maritime safety and regulations as well as the role of flag-of-convenience shipping.

Among the questions, some of which will be raised in congressional hearings on proposed legislation in the coming weeks, are the effectiveness of regulation by international agreement and domestic law, the standards of equipment and training on flag-of-convenience vessels and the performance of the U.S. Coast Guard in protecting against oil spills.

The 23-year-old Argo Merchant ran aground on the Nantuxet shoals, a well-known navigational hazard on Dec. 15 and, pounded by heavy seas, broke apart, spilling 1.8 million gallons of heavy oil into the sea near the rich Georges Bank fishing grounds. In the latest mishap, a Liberian-flag tanker, the Mary Ann, had an explosion on board Friday night while cleaning its empty cargo tanks about 300 miles off the Virginia coast. Several crewmen were injured.

Earlier last week, the Grand Zenth, registered in Panama, which is another flag-of-convenience nation, sank off the New England coast. No sign of it. Taiwanese crew has been found.

The Associated Press reported that the Coast Guard last night called off the search for the 38 Taiwanese and also gave up for dead a seaman missing since Monday when an empty tanker broke up in a storm about six miles off Cape Ann, Mass. Six seamen were rescued in the Monday incident involving a 43-year-old 281-foot ship, the Chester A. Poling.

The Liberian merchant fleet, which actually has its headquarters in New York City, ranges from giant super-tankers owned by Exxon and other oil companies to more nondescript vessels run by agents such as Ameriships, Inc., which operates a fleet of about eight ships that included the ill-fated Argo Merchant.

The Liberian fleet is the largest in the world because its maritime rules were set up to give U.S. and other shipowners significant financial advantages, including freedom from taxation, as well as union labor and safety regulations.

The Liberian marine interests frequently point out that among their ships are many of the newest and best equipped, but critics contend that the country's regulations also provide shelter for more marginal operators with deteriorating ships and unskilled crews.

Same Conclusion Seafarer, a British maritime trade magazine, reported last October that "whatever method of measuring safety at sea one adopts, and whatever adjustments in allowances are made, the statistics always lead to the same conclusion."

"That is," the magazine reported, "the flag-of-convenience fleet has a total loss rate that, in most years, is two to three times as high as the world average loss rate (and the world average would itself be lower if it were not for the convenience fleet) and three or four times as high as the average for the major regulated fleets."

While the Liberian fleet's record was nowhere near as bad as for ships registered under the flags of Panama, Singapore or Cyprus, the magazine said, the record of the percentage of its fleet lost against that of Britain was "very poor." Since the Liberian fleet is the largest in the world, this would mean a greater number of actual ships lost.



COOL—General Electric has produced a fluorescent Bright Stick which it says gives the light of a 50-watt bulb and will last from three to five years in normal use. It said the lamp requires no special wiring or fixtures and is sold ready to plug in and turn on.

## William E. Paul Dies; Got Heart Transplant in '69

SAN FRANCISCO, Jan. 13 (AP).—William E. Paul, 66, one of the longest-surviving heart transplant patients, died of pneumonia at the University of California Hospital here on Monday.

Mr. Paul was given a new heart on Aug. 13, 1969. Dr. Benson Roe, who performed the surgery, credited its success to a near-perfect tissue match.

Ruth Wakefield PLYMOUTH, Mass., Jan. 12 (AP).—Ruth Wakefield, 73, who has been credited with originating the Toll House chocolate chip cookie, died Monday. Mrs. Wakefield operated the Toll House Inn in Whitman with her husband for 37 years.

## Burmese Doomed In Treason Plot

RANGOON, Jan. 12 (AP).—A Rangoon court condemned an army captain to death yesterday for leading a plot to kill government leaders. It sentenced a former defense minister, Gen. Tin U, to seven years imprisonment for failing to report the plot.

Capt. Ohn Kyaw Myint, who was condemned to death for high treason, was accused of helping lead a group of army officers who last July plotted to kill President Ne Win, Secretary of the State Council U San Yu and Col. Tin U, the chief of national intelligence, and to "destroy the Socialist economic system."

Last year was marked by violence in Burma with at least 208 persons reported killed in clashes between troops and tribal and Communist rebels.

## A Clean Shave Now Compulsory For the Holders of Argentine IDs

BUENOS AIRES, Jan. 12 (AP).—The Argentine military government has banned beards in photographs on identity cards. This means a compulsory shave for thousands of Argentines.

No reason was given but presumably the government, engaged in a lingering war against leftist guerrillas, intends to prevent confusion or deception in the use of photo-identification cards.

"From now on," a federal police notice said, "all persons wishing to obtain documents at the federal police's identification department must do so clean-shaven. In order to avoid delays in the process, the police wish to remind citizens that before initiating any process they have to eliminate beards in order to obtain their documents."

The ID card is essential in Argentina. Under a state of siege imposed in 1974, anyone not carrying the official card can be arrested and held indefinitely without charges.

The ban has sent angry newspaper columnists to their typewriters. A columnist, Raul Fal Bando, said in the liberal La Opinion:

"Since 1970, I've worn a beard, discreet, well-brimmed and which does not change my face that much. I started growing a beard because of a skin irritation but since the police ruling it is open season on beards."

A reporter said he was refused entrance to cover the Argentine Grand Prix auto race because he was wearing a beard and his ID card showed him beardless.

## Spanish Rightists Accuse Him

### For Some, Carrillo Represents The Paracuellos Massacre

PARACUELLOS DEL JARAMA, Spain, Jan. 12 (NYT).—Tucked away near the airport in an anonymous, half-rural eastern fringe of Madrid, the deserted cemetery and its withered memorial wreaths seem irretrievably locked in the past.

The angry language on the headstones, which are arrayed in serried ranks over what was once a mass grave, is almost four decades old.

"Fallen for God and for Spain," "Assassinated by the Marxist Government," "Dragged From the Model Prison by the Red Hordes and Vilely Murdered."

But the memories of these dead—generals and lesser officers, Civil Guard captains, military engineers and high-ranking functionaries, police officers, lawyers, a few priests, fathers, brothers, sons—a today bound Santiago Carrillo.

Like many Spaniards, the secretary-general of the Spanish Communist party wants to put behind him the massacres committed by both sides in the Civil War—not to speak of the tens of thousands of executions that followed Generalissimo Francisco Franco's triumph in 1939.

But when the 62-year-old Communist emerged on bail last month from Carabanchel Prison, he was confronted anew by rightist accusations that the blood of Paracuellos was on his hands. Mr. Carrillo, who had been seized eight days earlier and held on a charge of illegal association, had been living clandestinely in Spain. His release effectively gained him the right to live here legally.

Provocatively, the ultra-rightist daily El Alcazar published, beginning on its front page under a black cross, the names of "2,000 martyrs" whose execution it said was ordered by Mr. Carrillo in November, 1936.

In 1969, Franco proclaimed an amnesty for all crimes committed during the war. But for some, Paracuellos—like the savage Nationalist executions in Badajoz, the terror bombing of Guernica or the murder of Federico Garcia Lorca for others—lingers bitterly.

At the beginning of November, 1936, Republican Madrid, battered and besieged, seemed about to succumb to Franco's swiftly advancing army. The Socialist premier, Largo Caballero, fled with his Cabinet to Valencia, leaving Madrid in the hands of the Communist-dominated Junta of Defense.

Asked which of his four columns would take Madrid, the Nationalist general, Emilio Mola, coined an enduring phrase and predicted that his "fifth column"—of sympathizers within the capital—would bring off the victory.

La Pasadaria's Cry "They shall not pass!" cried Dolores Ibarruri, the Communist orator known as La Pasadaria, exhorting housewives to take their husbands' lunches to the trenches and to pour boiling oil on the attackers if they entered the embattled city.

"It was then that I became a member of the Junta of Defense, on Nov. 6, when Madrid was almost encircled and we had very few means of defending it," Mr. Carrillo recalled in a book published in 1974. "I myself was a sort of minister of the interior."

Beginning late that day, according to the conservative historian Ricardo de la Cierva, the Junta began systematic removals of Nationalist officers and other rightist political prisoners from Madrid jails, fearing they would be freed by the attackers.

In a study of atrocities committed by both sides, Mr. de la Cierva writes of 2,750 identifiable executions in which was a grazing ground here and suggests strongly that Mr. Carrillo shares the blame for some of the deaths.

The historian's interest in Paracuellos is not altogether academic: He believes that his father was shot here early on the morning of Nov. 7. "For the author of this history," he writes, "nothing would be more agreeable than to be convinced that Mr. Carrillo was not the murderer of his father."

"I have not wanted to answer these accusations," Mr. Carrillo told a Madrid daily recently, "because, apart from denying them, I would have to disinter the 200,000 or so dead who were executed after the Civil War. I would also have to dig up those

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## Italy Ex-Minister Back After SEC Lockheed Probe

ROME, Jan. 12 (UPI).—Former Defense Minister Luigi Gui returned today from Washington, where he testified voluntarily before the Securities and Exchange Commission, rejecting allegations that he received bribes from the Lockheed Aircraft Corp.

"The hearing was tranquil, long and exhaustive from every point of view, even though a clarification about myself had already come in previous testimony, notably by Mr. William Cowden," Mr. Gui told reporters.

He said that Mr. Cowden, a former Lockheed sales executive who testified before the SEC last week, cleared him of any involvement in Lockheed's alleged \$18-million bribe payments in 1969-70 to push sales of 14 Hercules C-130 transports to the Italian Air Force.

## Sri Lanka Army Counters Strike

COLOMBO, Jan. 12 (Reuters).—Sri Lanka's armed forces were called in today to take over the running of various public services as a three-week-old pay strike spread to the private sector, official sources said.

The water supply to several areas of Colombo was being restored after being disrupted by the strikes. The walkouts began on Dec. 23 when railroad employees stopped work, followed by clerical unions and workers in ports and public transport services.

Union sources said today that workers in some manufacturing firms had joined the strike.

## U.S. Denies Visa To Soviet Editor

MOSCOW, Jan. 12 (UPI).—The United States has refused to grant a visitor's visa to a leading Soviet editor in retaliation for a Soviet refusal of a visa for Rep. Dante Fascell, D-Fla.

A spokesman for the U.S. Embassy in Moscow confirmed today that the visa application of Alexander Tchaikovsky, editor of the Writers Union weekly Literaturnaya Gazeta and a member of the Supreme Soviet, had been turned down.

An embassy spokesman said that the action against Mr. Tchaikovsky was in direct response to the Soviet refusal to admit Rep. Fascell last fall.

## Referee Slain

KARACHI, Pakistan, Jan. 12 (AP).—Three college students have been arrested on charges of killing a referee during a friendly cricket match at a local school, police reported.

## 12 Killed in 3 Europe Avalanches

BERGAMO, Italy, Jan. 12 (Reuters).—Eight persons are known to have been killed when an avalanche crashed down on the Italian Alps ski resort of Foppolo today, burying houses under tons of ice and snow. At least four persons died in snowslides in Austria and Yugoslavia.

The disaster in Foppolo, 60 kilometers north of here, occurred as Northern Italy experienced its worst winter weather in more than 10 years and heavy snow closed the Brenner Pass, the country's main link with Austria. The snowslide at Foppolo, 1,500 meters above sea level, struck at 2 a.m.

In the eastern Tyrol region of Austria, an avalanche buried

three schoolgirls waiting for a bus near the town of Praegarten, killing one and injuring the others. Several communities in eastern Tyrol have been cut off by snowslides in the last few days.

North of Ljubljana in Yugoslavia, three persons were killed and three were missing in an avalanche.

## Public Flogging of 15 Drums Liberia Crowd

MONROVIA, Liberia, Jan. 12 (Reuters).—More than 15,000 spectators packed the Monrovia sports stadium and an equal number standing outside stalled traffic for hours yesterday as 15 "hardened criminals" were whipped in public in compliance with a presidential decree.

The criminals were each given 25 lashes.

President William Tolbert ordered the public flogging after a sudden increase in house-breaking, pocketbook snatching and other crimes throughout the country.



FASHION

Knocking at Door of Couture Club

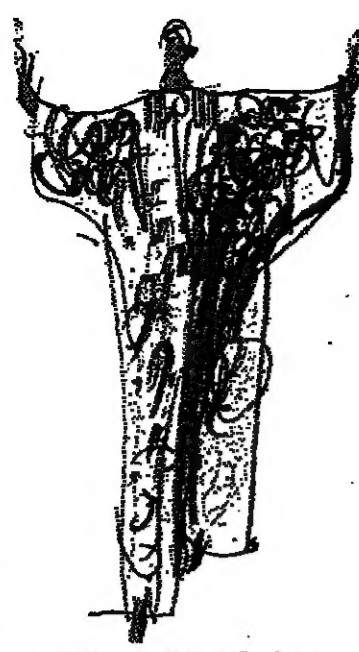
By Hebe Dorsey

PARIS, Jan. 12 (IHT).—Couture, often considered down and under, seems to be picking up new life. For the first time in years, two candidates are seeking to join the ranks of the Chambre Syndicale de la Couture Parisienne, as full-fledged couture houses.

The Chambre is an intricate organization which counts among its members not only the famous couture houses but small, obscure seamstresses as well—150 all told, who pay dues "based on their business turnover," said Jacques Mouchier, spokesman for the Chambre.

To qualify as a member of the couture-creation group—to rate the label of "maison de la couture" and all the prestige that goes with it—a house must pass a test and go before a commission, part of the ubiquitous Ministère de la Justice. The commission, according to Mr. Mouchier, assesses the applicant's physical setup as well as its creativity.

To fill the couture bill, a new house must have a designer, three full-time models, at least 10 seamstresses in its workrooms and it must show regular collections.



A Hanae Mori design.

The last to join the ranks was Jean Louis Scherrer—five years ago. Scherrer not only made the grade but also became couturier to the Establishment with Mrs. Valéry Giscard d'Estaing as his most famous client.

Now, Schiaparelli-Perfumes wants to join the club. The firm

has merged with Serge Lepage, a little-known designer who has belonged to the Chambre for years. The idea is to give the firm a lift—a tried and true practice. But Schiaparelli-Perfumes (which draws on Italian funds) is having problems with the Schiaparelli operation in the United States. The latter holds the couture rights so negotiations are taking place—and their outcome will determine the fate of Schiaparelli in the Chambre.

The other—and more spectacular applicant—is Hanae Mori, a Japanese couturier. A soft-spoken, dedicated woman, she looks young and shy. But she has 25 years of experience behind her in both couture and ready-to-wear. She has 50 boutiques (48 in Japan, two in New York), a business turnover of \$75 million and 1,000 employees. On Jan. 27, Mrs. Mori will show her first Paris couture collection at 17 Avenue Montaigne, a stone's throw from Dior and across the street from Ungaro's. Her retail outlets are scattered around the world. They include Harrods in London and David Jones in Australia. She is well-known for her poetic catwalks and exquisite, light-handed colorings.

Why Paris? "Because Paris is the only place where one can

open a couture house," said Mrs. Mori in sing-song French.

Literature Degree She has a degree in Japanese literature and was once a theatrical designer. Mrs. Mori said she draws heavily on her Japanese heritage, both for shapes (the T-shaped kimono) and for colors. Although the bulk of her couture is based on beautiful, airy garments that look like early morning clouds, Mrs. Mori herself, who goes around in sweaters and skirts, admits she never wears a kimono. "Too complicated," she said, "too many strings to tie. Too big sleeves. Not so comfortable for independent women." Then adds, in a curious, Oriental double-take, "Kimono are for men."

That attitude also explains Mrs. Mori's new business position. Although she is investing half a million dollars in her new venture, she makes no bones about saying that only 15 per cent of



that will be devoted to couture. The rest will go to more profitable activities such as ready-to-wear (she will show with the rest of Paris in April), a cruise line and eventually cosmetics and the payoff of all times, perfume.

On the Arts Agenda Jean-Pierre Ponnelle and Nikolaus Harnoncourt continue their series of Monteverdi operas at the Zurich Opera with a new production of "L'incoronazione di Poppea." Harnoncourt is responsible for the musical preparation and conducted, and Ponnelle staged and designed. Performances are scheduled Jan. 14, 15, 21, 22, 27, 28, Feb. 4, 10 and 12.

'Keep Madrid Clean' MADRID, Jan. 12 (UPI).—Smokers are liable to a 1,000-peseta (\$1450) fine if they drop a cigarette stub in the street, according to a new "Keep Madrid Clean" ordinance.

Kennedy Center, Metropolitan Join Forces for Ballet Imports

By Paul Hume

WASHINGTON, Jan. 12 (WP).—The Kennedy Center and the Metropolitan Opera yesterday announced plans to cooperate in presenting some of the world's leading ballet companies in both houses as well as on tour.

Roger Stevens, chairman of the center, Anthony Bliss, executive director of the Metropolitan, and Martin Feinstein, executive director of the center, explained that the new cooperative management will make it possible for such companies as the Stuttgart Ballet and the Royal Ballet of London to come to this country for longer tours than in the past.

The Stuttgart ballet will be the first company tour under the new arrangement, appearing in Washington, New York, Philadelphia, New Jersey's Garden

State Arts Center, and Chicago for a total of eight weeks from mid-May to mid-July. On its last tour it played only in Washington and New York.

Mr. Bliss, speaking for the Met, recalled that the late impresario, Sol Hurok, used to tell the Met: "Any weeks you have vacant in your house, I will take." Since Hurok's death, Mr. Bliss said, no managers have come around with offers like that, "and we have to keep our house full. We cannot afford an empty house."

Mr. Feinstein said that negotiations for a visit by the Royal Ballet were under way.

Mr. Stevens called attention to a directive in the Kennedy Center's charter from Congress which says that the center shall both present productions "and take them to other cities."

WAVERLEY ROOT

If It's for Dessert, It's Fruit

FRUIT, says Webster, in its first attempt to pin down an elusive concept, is "a product of plant growth useful to man or animals," a definition too wide for our present purpose, which is to discern how much ground is covered by this word in the minds of laymen unencumbered by botanical baggage when they think of fruit primarily as food.

"The four fruits," according to pharmaceutical definition not so very long ago, are seeded dates, dried figs, raisins and jujubes; this is evidently too narrow. If we appeal to that august jurisdiction of the vox populi, the Supreme Court of the United States of America, we find that in 1893 it took cognizance of a vexing facet of the question, "What is a fruit?" the difficulty of distinguishing fruits from vegetables, and ruled that a plant or part of a plant is a vegetable if it is generally eaten during the main course of a meal, but a fruit if it is eaten as an appetizer or a dessert. This legitimates melons, which strict constructionists want to count with vegetables, and rules out the plantain and, not quite decisively, the tomato, but leaves the olive and the avocado as undetermined borderline cases.

Bypassing a number of definitions which might be summed up as calling fruit the final form of a flower, we find Webster on a second try defining fruit as a plant food "having an edible more or less sweet pulp . . . usually used as or in dessert." Sweetness is indeed an essential factor for most of us, who associate it with the idea of fruit. This gets rid of the olive and the avocado, and we may assume, justifiably, that the lemon can be counted on to foregoer with enough sugar to compensate for the bitterness of Nature, which has endowed it with only 1 per cent of sweet elements as compared with, for instance, the 25 per cent of a ripe fig.

Growing Wild It is obvious from its very nature that fruit must have been one of the first foods of prehistoric man, for it was there before he came on the scene himself, growing wild and ready to be had for the picking. Its very accessibility and tastiness accounted for the fact that men were slow about cultivating it. It was good enough wild, without requiring further effort, for here the selection of early man to crops which could be more easily improved by cultivation, which would respond by giving markedly larger yields, and which would be less perishable when stored for future consumption—for instance, cereals. Nevertheless fruit was already under

Alexander's Romans had seen the banana in India, but some could not import it, for it was too perishable. Cato the Elder listed seven different species of apple grown in Italy. Pliny described 21 kinds of figs and 81 of grapes (most of them for wine) and 88 varieties of pears were also recognized. Fruit became increasingly important in the Roman diet; it is on record that the Emperor Claudius Albinus absorbed during a single lunch 500 figs, 100 pears, 10 melons (but ancient Roman melons were only about as big as oranges), and an uncounted number of grapes.

With the collapse of the Roman Empire and its network of trade routes, exotic fruits disappeared

from Europe; even the cultivation of those which were indigenous was largely neglected, except in the monasteries. Interest in fruit revived when the Crusaders, repelling the example of the Roman Asiatic army, returned from the Middle East bringing with them new or forgotten fruits, along with improved techniques which the Saracens had developed for drying them.

Plinius, author of the first cookbook since classical times, advocated starting the meal with fruit (from a dietetic point of view, a better time to eat it than afterward) and the Florentines of the Renaissance often both began and ended the meal with fruit (the common Italian appetizer of melon or figs with prosciutto dates from this period). In Germany the medieval or Renaissance meal usually terminated with fruit, and it became the habit, which is still observed, to accompany meat with fruit, ordinarily stewed. Germany still consumes more dried apples, pears, apricots and prunes than any other Western country. Hungary, before cane sugar came into common use, resorted to dried fruits as well as honey for sweetening.

England was standoffish about fruit. It did not seem to be held in high esteem by the Lord Mayor of London when, in 1841, as an anti-inflation measure, he restricted the number of courses that could be served at any one meal, but ruled that fruit did not count as a course. Thomas Malthus wrote in the 17th century, "Melons, pears and apples have no taste," and perhaps they did have less in England than on the Continent, where the French, and particularly the Italians, had been working assiduously to improve their flavor. Nevertheless fruit was a luxury in 17th-century England, but that may have been because there was not enough popular demand for it to pay for its production at a reasonable price.

In the yet undiscovered New World, Seminole Indians were cooking fish with wild grapes and Choctaw Indians were stuffing wild ducks with them. In the Northwest, Indians cooked wild plums and blackberries, huckleberries and wild cherries; in the Northwest they made deep-fried fruit fritters, and on the Plains they put buffalo berries in pemmican. Columbus made his first acquaintance with American fruits, some of them never seen before, like the pineapple, the guava and the large American strawberry, father to the south. "Every tree is pleasant to the sight," he wrote, "and good for food."

(c) 1977, by Waverley Root.

European University in First Academic Year

By Sani Gilbert

FLORENCE (WP).—At the once-abandoned Abbey of Fiesole, in the hills outside Florence, workmen are hanging lamps and struggling with a modern heating system. A new parking lot is packed with cars and motorcycles from most of the countries of Western Europe. The cells once occupied by monks now house a third of the 72 graduate students enrolled in a new European university's first academic year.

The goal of the European University Institute, first proposed in the early 1950s, is "developing the cultural and scientific heritage of Europe in the unity and diversity," or, as some say, building a stronger European consciousness.

Through interdisciplinary seminars and research projects in economics, energy problems, European unification, history, law

and political science, the European Institute hopes to build up a corps of European experts.

Major projects—like a North Sea study headed by Prof. Charles Wilson of Cambridge and a comparative human rights seminar run by Prof. Christoph Seass of the University of Hamburg and Prof. Geoffrey Hand of University College, Dublin—are part of an attempt to blend national traditions in a way that may be relevant to tomorrow's Europe.

Prof. Hand says that once the student body is up to its full quota of 300 doctoral candidates, it will be dispersing throughout Europe a group of European-minded individuals who, by virtue of the positions they are likely to hold, "will have a real impact."

Set up by the nine Common Market nations with a first-year budget of more than \$2 million, the institute has nine well-known European professors on its permanent faculty, a budding library and a large administrative staff to help with the paperwork that six official languages entail.

The institute's director is Max Kohlenstein, who has dedicated

most of his life to the idea of a unified Europe. A disciple of the "father of Europe," Jean Monnet, Kohlenstein, 63, remembers when Walter Hallstein, then president of the European Coal and Steel Community, first proposed a European University at the 1955 Messina conference which laid the groundwork for the Common Market.

"A lot of time was lost in useless hickering," Mr. Kohlenstein recalled. In the 1960s, the French opposed the concept of a supranational university run by the Common Market. Many European universities were also worried that they would be reduced to provincial status with the creation of a European academic body. But now the university is a reality.

"Just think," Mr. Kohlenstein said, "that since the beginning of the academic year on Oct. 1, students have come to me only to complain about insufficient light, inadequate heating or too few books. No one has said 'I'm sitting next to a Frenchman, or a German, or an Englishman who may have killed my father—and after 2,000 years of fighting, that is something quite substantial.'"

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## Curb on Pound's Value Said Planned by Britain

LONDON, Jan. 12 (AP-DJ).—The British government is considering plans to keep the value of the pound within "well defined limits" following the Basel agreement Monday on official sterling balances, political sources said today.

Prime Minister James Callaghan is expected to be in frequent consultation with Chancellor of the Exchequer Denis Healey and Bank of England

governor Gordon Richardson on the floating pound and its behavior, according to reports of a high-level government briefing. There was no immediate comment from the Prime Minister's office on the possibility of keeping sterling within certain specific limits. However, government officials are said to be concerned that export industries, which have benefited from the low exchange rate of sterling by being able to sell goods more cheaply abroad, may be hurt if sterling appreciates too much against other currencies.

Foreign currency reserve statistics for last month indicate that the Bank of England took advantage of the pound's partial recovery to build up its dollar holdings, and there have been reports in the past few days of the bank selling pounds.

### Output Stagnant

In other news, the government reported today that there have been no significant revisions to gross domestic product in the third quarter. The general picture remains unaltered, it said, "that is, that there was virtually no growth in output during the first three quarters of 1976."

"The average measure of GDP was about 1.5 per cent higher in the first three quarters of 1976, on average, than in the second half of 1975," the report said.

### Living Standards Rise

Meanwhile, despite all the warnings of hard times ahead, living standards in Britain actually rose slightly in the July-to-September period last year, according to government statistics released today.

Real disposable personal income, after taking into account rises in consumer prices, climbed about 0.7 per cent in the third quarter from the prior quarter and 0.2 per cent from a year earlier, the Central Statistical Office said.

The increase was largely due to tax rebates offered by the government as part of the last restraint plan reached last August. Payment of income taxes fell 1.5 per cent in the third quarter from the prior three months.

### Personal Income

Total personal income before taxes and undistributed for inflation showed a larger increase of about 2 per cent in the third quarter from the second quarter and was up nearly 13 per cent from a year earlier, the government reported.

Consumer expenditure, seasonally adjusted and in constant 1970 prices, during the period also rose some 1.3 per cent from the second quarter and about 1.75 per cent from a year earlier, the figures showed.

The total amount of savings as a percentage of personal disposable income in the third quarter fell to 12.8 per cent from 13.3 per cent in the prior quarter and 14 per cent a year earlier, the government said. The third-quarter savings ratio was the lowest since the second quarter of 1974.

## U.S. Is Urged To Act on Oil Supplies

By Steven Rattner

NEW YORK, Jan. 12 (NYT).—A high-level task force sponsored by the Twentieth Century Fund recommended yesterday that the United States spur development of domestic energy sources by providing new price incentives for oil and gas, by encouraging nuclear and coal use and by a big government-sponsored program of research and development.

More immediately, the group said, the United States should complete plans to stockpile a three-to-six-month supply of oil as protection against an embargo. The reserve should be financed through a "security" tax on all imported oil products, the task force added.

The Twentieth Century Fund is a research foundation engaged in policy-oriented studies in the social sciences, but M. J. Rossant, its director, stressed that the report reflects only the views of the task force.

The commission sharply criticized U.S. energy policy as ineffective and called for the appointment of a national energy administrator with authority to issue directives in the name of the president.

"The tendency of our energy policy of the last several years has been to temporize and delay," said Herbert Cohn, vice-chairman of American Electric Power Co. and chairman of the task force. "We have retrogressed rather than progressed."

But Mr. Cohn acknowledged that the group's recommendations were similar to those made by a number of earlier studies. "The recommendations after each study seem to be the same," he acknowledged. "The trouble is, nothing is done."

In addition to Mr. Cohn, the 16-member panel included Walter J. Levy, a well-known oil economist; M. A. Adelman, professor of economics at the Massachusetts Institute of Technology and John Love, former governor of Colorado.

The commissioner's report included dissenting views from a number of members. Three economists, including Mr. Adelman, suggested that the most immediate action needed was the decontrol of oil and gas prices.

## Hammer, Benn Open N. Sea Oil Terminal

FLOTTA, Orkney Islands, Scotland, Jan. 12 (NYT).—The massive oil man and the left-wing energy minister took the oil man's private jet to this placid little island north of the Scottish mainland yesterday to rejoice in North Sea oil.

Officially, they came to inaugurate an important oil terminal, where oil is collected via pipeline from the seabed, cleaned and stored in tanks, and then shipped off by tanker to far-off refineries.

But the festive, almost jocular activity here seemed to say that after years of anxiety, after hard disputes between the government and the big multinational oil companies, crippling delays because of the sea's vicious weather and soaring development costs, North Sea oil is finally beginning to give Britain the economic spur that the government has long promised.

The oil man here was Dr. Armand Hammer, the often controversial 78-year-old son of Russian emigré who is chairman of Occidental Petroleum Corp. The minister was Anthony Benn, Britain's best-known nemesis of private industry, and leader of the Labor party's left wing, which wants all Britain's North Sea oil nationalized outright.

But Dr. Hammer and Mr. Benn, like most of the world oil industry and the British government, have worked out their differences, and the two men were enjoying the change.

Hand on Hand  
"I inaugurate this terminal," said Mr. Benn, as he put his hand on Dr. Hammer's and pulled a lever that sent the first Occidental oil flowing from the terminal's tank farm to a tanker. Dr. Hammer asked if he could call the minister "Tony." On the plane, the minister asked Dr. Hammer to

autograph Dr. Hammer's biography.

Occidental leads an important consortium that has been pulling oil from one of the North Sea's most profitable fields, called Piper, since early December and that will bring a much less lucrative field, Claymore, on stream in the summer.

They, like the other North Sea fields that have been coming on stream, will help make a big difference in Britain's long troubled balance of payments. In about three years, Britain experts to be totally independent in oil.

The oil men here are undoubtedly a happy lot. They once feared having to give up a chunk of the profits they hoped to earn on their North Sea oil. But as negotiations with the government evolved, they settled on "participation" agreements that allow the government to buy 51 per cent of the oil produced but leave the profits intact.

"It doesn't affect their profits," said a non-Occidental oil executive. "It doesn't affect their cash flow. It doesn't affect their decisions in disposing of the oil." In the next month or two, when the government opens new fields for development, the terms will be tougher, but for now the industry is breathing easy.

### Saw Few Problems

Like other companies, Occidental anticipated few problems in installing the platform over the Piper field from which it would take its oil. But because of North Sea weather and other problems, it took 13 months, rather than the expected four. Still, the Occidental group developed its fields here in near-record time.

Occidental seems to have avoided the problems of community relations that have af-

## FINANCIAL NEWS AND NOTES

### BASF to Offer Rights Issue

BASF, the West German chemicals firm, plans to increase its equity capital by 120 million Deutsche marks to 1.288 billion DM through a rights issue. One new share will be offered to current shareholders for 15 old shares at a price of 120 DM each. BASF shares closed Tuesday at 120 DM on the Frankfurt exchange. The offer is to be made from Jan. 26 to Feb. 8. The new shares are entitled to dividends from Jan. 1. The issue is to be made from authorized but unissued shares. BASF says the capital raised from the issue—312 million DM—is to be used for its medium-term investment spending.

### Handelsbank Stake Sold

Deutsche Bank has acquired a blocking minority of shares of Handelsbank in Luebeck, a regional bank with equity capital of 12 million Deutsche marks and 1976 business volume of 1.14 billion DM. Deutsche Bank declines to disclose the exact share it acquired from private shareholders, but according to West German law a participation of at least 25.1 per cent gives the minority shareholders the right to block certain types of decisions. Market sources say Deutsche Bank's share was not much larger than this amount. The Handelsbank itself owns 75 per cent

of Luebeck Hypothekbank, a mortgage bank with a business volume of about 2 billion DM. Market observers cite this as one possible reason for Deutsche Bank's interest. A Deutsche Bank spokesman declined to say what price the bank had paid for the Handelsbank shares, which currently trade at 398 DM.

### Private Investors Shun ANIC Offer

Not a single private shareholder bought one of the 283.75 million new shares offered last month by ANIC, the chemical company reports. The only buyer of shares was the parent company of one of Italy's largest chemical concerns, the state holding company Ente Nazionale Idrocarburi (ENI), which bought 73.8 per cent of the offering—exactly matching its holding in the company. ANIC, after losses in 1976 totaling more than 37 billion lire (\$42 million), was forced, under Italian law, to write down its capital of 112.7 billion lire. It did this by halving the par value of its shares to 500 lire. It then issued 283.75 million new shares of which more than 70 million remained unsold. The rest are to be offered at free auction on the Milan Bourse through Jan. 18. ANIC shares closed at 410 lire, down 13, on Tuesday. The company says it had a bad year again in 1976, but has released no details yet.

### Firms' Wells Were Mostly Dry

## Peru Pipeline Nears Finish—Is Oil There?

CHIRIYACO, Peru, Jan. 12 (AP-DJ).—A 530-mile oil pipeline across northern Peru has been almost completed—at a cost of about \$870 million—but the huge oil fields that it was built to service may not exist.

The pipeline, which connects the Pacific port of Bayovar with a dense jungle area near the border with Ecuador, will be capable of dumping 200,000 barrels of oil a day. But so little oil has been found in an area originally thought to contain huge reserves that present production rates would take five months just to fill the line with enough oil to reach the other end.

Petroperu, the state-owned oil monopoly, still says that enough oil will ultimately be found to operate the pipeline. But 20 oil companies, most of them U.S.-based, have spent \$331 million drilling about 70 wildcat wells in the jungle, with few successes.

The oil search began in 1971 after Peru's arch-rival, Ecuador, found substantial amounts of oil just north of the Peru border. Petroperu soon claimed com-

mercially productive wells on its first three tries in 1972, and it offered the international oil groups up to half of whatever oil they could find in further explorations.

Employing hundreds of Peruvians to slash paths through tropical rain forests, seismic crews

## Big Oil Find In Venezuela

CARACAS, Jan. 12 (AP-DJ).

Venezuela's largest state oil company, Lagoven, has announced a major oil discovery in Lake Maracaibo involving a well said to have a production capacity of 5,308 barrels of light crude oil daily.

Lagoven, known as Creols Petroleum Corp., formerly a subsidiary of Exxon prior to its nationalization on Jan. 1, 1976, said that the find is one of the biggest in recent times.

## Soaring Tin Price Is Problem For Agreement on Commodity

LONDON, Jan. 12 (AP-DJ).—The price of tin has outstripped international efforts to contain it, posing problems for the world's oldest commodities agreement.

Although the metal's price has surged 40 per cent in the last year, many analysts believe it may rise even further. Panmure Gordon & Co., a London securities concern that specializes in mining stocks, says the price of tin is likely to end 1977 "considerably higher" than current levels.

Normally, tin's price remains within an agreed range under the international tin agreement, a

compact involving 27 producers and consumers of the metal. This pact authorizes a buffer stock manager to buy from the market when the price is at the low end of the range and to sell from his stock when the price is at the high end. The limits of the range are revised periodically, most recently last month, when the ceiling was lifted 10 per cent.

Through the Barrier  
But last Thursday the price broke through the higher ceiling—equivalent to \$322 a pound—and the buffer stock manager has just about run out of metal to sell.

On the last reporting date, Sept. 30, he had 2,088 tons and currently is believed to have even less. A year ago, there were 22,000 tons in the buffer stock.

"There's no way that stockpile can keep the price down," one London dealer asserts. One possibility is to increase again the range, which the buffer stock operates, but many consumers, notably the United States, oppose this action because it would formally acknowledge prices they already consider too high.

Also, if the issue of maximum prices is opened, producing nations probably will insist on raising the minimum price, thus limiting how far prices one day may fall.

Issue Avoided  
The International Tin Council, which administers the 46-year-old tin agreement, met in London last week but did not even discuss the price issue, participants say. Besides being unable to contain current tin prices, the council is faced with Bolivia's refusal to ratify the new fifth international tin agreement, which was supposed to go into effect last July 1.

Bolivia, the world's second-largest tin producer after Malaysia, calls the council's methods of revising its official price range unrealistic. The Latin American nation, whose underground tin deposits are costlier to mine than the surface deposits of Southeast Asia, often is out of step with the other producers.

found geological formations that could contain oil at many locations. Talk spread of a huge reservoir in the Peruvian Amazon of possibly 10 billion barrels of petroleum.

The only problem the government could foresee at the time was getting the oil out of a jungle area that had never been penetrated by even a crude road. One possibility was to ship the oil down the Amazon River through Brazil to the Atlantic for export. But the Peruvian military has always been wary of the Brazilians. A pipeline over the Andes was the only answer the government could think of.

Japanese Backers  
Petroperu decided that it would have to be a big pipeline, with 24-inch and 36-inch pipe, capable of delivering at least 200,000 barrels a day. The line was designed to cost \$330 million. A consortium of Japanese banks and oil refineries eagerly put up the money on the agreement that oil-starved Japan would be paid back in petroleum.

But as the pipeline work proceeded, the oil drillers turned up a succession of dry holes, and the pipeline costs soared. "It was one of the worst and most expensive experiences we've ever had," a U.S. oil man says. "But it sure looked good to start with."

Occidental Petroleum did drill several productive wells near the Ecuadorian border, and it has stayed to exploit its find. But the other oil companies lost millions of dollars on dry wells. Talk of a 10-billion-barrel reservoir in the jungle has given way to estimates of 550 million barrels of proven reserves.

But the military government pushed ahead with work on the pipeline. As a result, Petroperu's biggest problem is finding enough oil. Current proven reserves would be used up in 7 1/2 years if the line were run at full capacity. Initially, the company expects to have from 30,000 to 40,000 barrels a day available to pump. When a branch pipeline links Occidental's fields to the main line in 1978, another 80,000 barrels is expected to be available daily.

But after the five months it will take just to fill the line, the oil will be able to flow only a few hours at a time, because the line is designed to operate only at a full capacity of 200,000 barrels a day.

Arco-Anacosta Merger  
LOS ANGELES, Jan. 12 (Reuters).—Atlantic Richfield and Anacosta Co. said today they intend to proceed with their proposed merger (HT, July 3). The Court of Appeals today denied a preliminary injunction sought by the Federal Trade Commission to prevent completion of the transaction, valued at about \$500 million.

## Price Rise In U.S. Hits Wall Street

### Investors' Jitters Push Index Down 8

NEW YORK, Jan. 12 (HT).—Bad news on the inflation front gave investors a case of the jitters that sent prices tumbling for the second consecutive session on the New York Stock Exchange today. The latest setback came after the government reported a rise in the wholesale price index in December.

"It was a pretty shocking figure," said one analyst of the report. He said, "It seemed to raise the inflation fear again, which had been a dead issue in recent months."

The Dow Jones industrial average closed at 988.35, down 8.40, it was off 10.5 at 3 o'clock. The index dropped more than 10 points and has plummeted about 41 points since closing above the 1,000-mark on the last trading session of 1976.

Volume today was 18.87 million shares traded compared to 24.1 million yesterday.

Some 1,120 issues declined at the final bell, compared with about 400 advances.

International Paper, which sagged more than 3 points yesterday, fell another point to 61. Yesterday, the large paper maker reported lower fourth-quarter profits, which also were below estimates of several industry analysts.

Also down a point or more were United Technologies 1 to 38 1/4, General Dynamics 1 to 49 3/4, Union Carbide 1 1/4 to 59 1/2, Procter & Gamble 1 5/8 to 90 and Celanese 1 1/4 to 47 3/4.

Prices on the American Stock Exchange declined in moderate trading. The Amex index fell 0.40 to 109.61.

Soybean futures prices soared 14 cents a bushel on the Chicago Board of Trade and led most farm commodities into higher price areas.

Soybean meal was up \$6 a ton but soybean oil came under late profit-taking and closed little changed. Wheat futures were up 1 1/2 cents while oats were 1 cent higher at the bell and corn prices were narrowly mixed.

U.S. Trade in 'Put' Options Said to Be Urged in Report  
By Robert D. Hersey Jr.

WASHINGTON, Jan. 12 (WFO).—The Securities and Exchange Commission will receive next week a staff recommendation that trading in "puts"—options to sell stocks at specified future prices—be authorized, a well-placed SEC source disclosed.

If approved, exchange trading in puts could begin by early spring, four years after the introduction of call options, their popular mate. Call options give the owner the right to buy 100 shares of the underlying stock at a stipulated price within a specific time limit.

The SEC has long appeared to be heading toward endorsement of put options and is widely expected to do so, but last July it said it would reserve its decision until this year.

It has now apparently overcome suspicions that options trading might adversely affect the market for underlying stocks or that it might divert speculative capital from possibly more productive forms of investment.

Meanwhile, the Chicago Board Options Exchange has written a 15-page letter to the commission arguing that neither question should be a source of concern, and that additional delay in gaining approval would "seriously disadvantage CBOE in an increasingly competitive environment."

The exchange was first to begin trading in call options to purchase stocks in April 1973, and still has about 65 per cent of the business. However, the

## U.S. Jobless Rate Off; Wholesale Prices Rise

WASHINGTON, Jan. 12 (AP).—Unemployment in the United States declined to 8.1 per cent last month but there was another sharp jump in wholesale prices, particularly for food, the government said today.

Coffee, pork and poultry costs were the chief ingredients in the biggest rise in farm and food prices in eight months, and pushed overall wholesale prices up 0.9 per cent in December. Industrial price increases slowed, with natural gas costs turning down after rapidly increasing for several months.

The improvement in the job picture is an indication that the economy is beginning to revive after a period of stagnation and rising joblessness since last summer.

The pause in the business re-

covery had aroused concern among economists and prompted President-elect Jimmy Carter to propose a two-year package of tax cuts and rebates and job-creating measures.

The 7.9-per-cent unemployment rate was still slightly higher than the rate at the beginning of the year—7.8 per cent of the labor force was jobless in January.

Unemployment had dropped from a recession peak of 8.9 per cent in May, 1975, to a low of 7.3 per cent last May. The rate then started rising and stayed on a plateau of 7.8 to 7.9 per cent from July through October, before jumping to 8.1 per cent in November.

The unemployment rate in 1976 averaged 7.7 per cent for the year, down from 8.5 per cent in 1975.

Total Jobless  
The Labor Department said the number of unemployed in December dropped by 210,000 to a total of 7.5 million. Total employment rose by 220,000 to a record high of 84.4 million, with most of the increase among adult men.

After holding steady from July to October, total employment has risen by nearly 600,000 over the last two months.

The size of the civilian labor force was virtually unchanged last month at 96.9 million. It had expanded sharply throughout most of the year, rising by 2.8 million workers, the majority of them women.

Another sign of an improving economy was the increase in the length of the average work week last month. It edged up to 36.3 hours, the third consecutive monthly increase of one-tenth of an hour.

Fourth Sharp Rise  
The 0.9-per-cent rise in wholesale prices last month, adjusted to eliminate seasonal factors, marked the fourth sharp monthly increase in a row and equaled September's rate, which was the biggest jump in more than a year. It helped raise wholesale prices 4.7 per cent over the year, slightly higher than the 4.2-per-cent rise in 1975.

Some analysts are worried that inflation may be heating up again, and this concern has been intensified by the trend in wholesale prices which eventually are reflected at the retail level.

Farm and food prices rose 2.7 per cent last month, the largest jump since a 4.2-per-cent increase last April. Prices for processed foods and feeds were up 3 per cent.

However, industrial prices, which had been averaging between 0.7 and 1 per cent a month since the summer, rose only 0.3 per cent in December, the smallest rise since May.

Economists regard industrial prices as a more reliable measure of inflationary trends than food prices, which often fluctuate from month to month.

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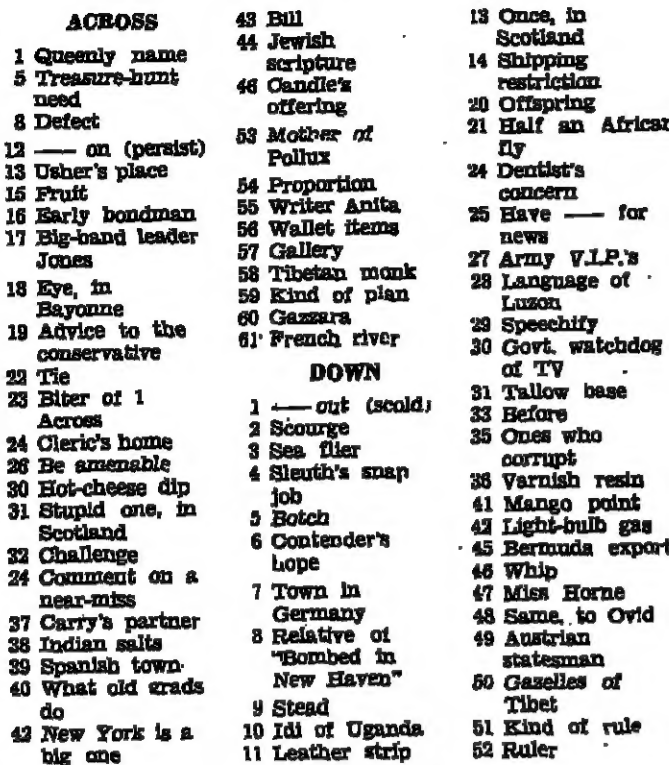
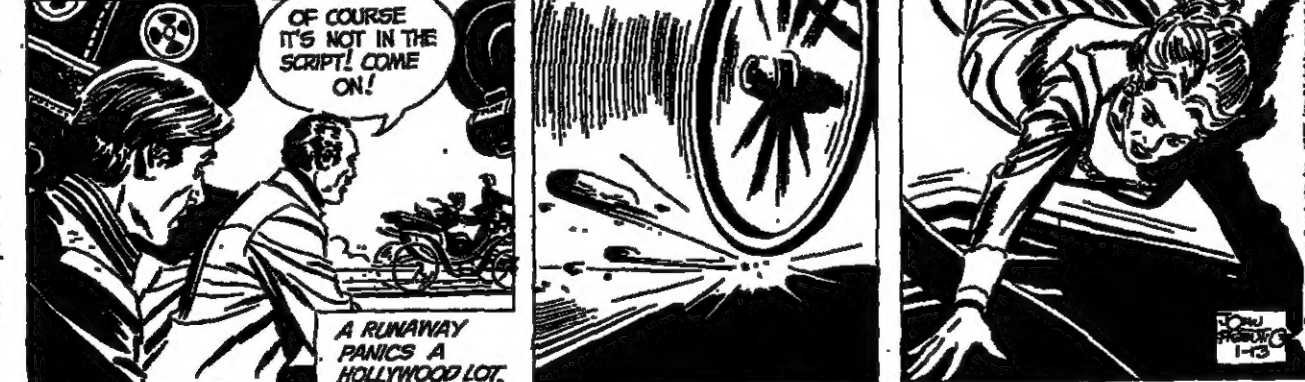
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**Edited by Will Weng**

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**ETHAL**

**TYSSEM**

**GOLFAN**

1-13

**USED WHEN BEAMS  
ARE REQUIRED.**

Now arrange the circled letters to form the surprise answer, as suggested by the above cartoon.

Answer here: \_\_\_\_\_

(Answers tomorrow)

Yesterday's Jumbles: CHEEK PANSY BELFRY COOKIE

Answer: It may be in hand at opening time—A KEY

"Registered as a newspaper at the Post Office"  
"Printed in Great Britain"

## A black and white cartoon illustration. On the left, a woman wearing a long coat, a hat, and glasses walks a large, dark-colored dog on a leash. She carries a handbag. To her right, two young children and two small dogs are watching. One child is a boy in a striped shirt, and the other is a girl in a light-colored dress. The two small dogs are one dark and one light. In the background, there is a simple line drawing of a house, a large tree, and a car. The artist's signature 'R. Rothman' is at the bottom left.

**Solution to Previous Puzzle**

S	H	A	R	D	S	E	A	S	P
I	N	N	O	S	E	E	S	E	E
T	E	L	L	K	E	A	E	A	N
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does. Miss Holpbe is one of the novelists who occupy a place between girl and grown-up, and are too good for the boys, but not quite deep enough to take to heart. She is too good for her characters, tending to outwit them whenever they attempt to show that they are human in spite of everything... You may say that she is more interested in metaphors than in men and women.

Anzole Brogard is a New York Times book critic.

The World Bridge Federation regards the Far East and Australasia as separate zones, each entitled to send a team to compete in the Bermuda Bowl for the world team title. Nevertheless Australia and New Zealand, eager for international competition, compete in the Far East championship and serve in turn as host to the tournament, slightly stretching the realities of geography.

This year it was New Zealand's turn to stage the event, and last month in Auckland the Taiwanese regained the title in a field of 19 teams. They will represent the zone in the next Bermuda Bowl, scheduled in Manila next October, and will again meet the representatives of Australasia.

The most famous member of the winning team, Patrick Huang, who has been playing internationally since he was 15, won the pair championship as well as the teams. The diagrammed deal played in an earlier championship is an example of his skill.

East's three-heart opening with a six-card suit was a trifle eccentric, but not unreasonable in view of the favorable vulnerability. North-South reached the normal contract of four spades, and West risked a double in the belief that he would score two trump tricks. He would have been right against 90 declarers out of 100.

West's lead of the heart jack rode around to the queen, and the spade ace was cashed. Huang was not surprised to find all the missing trumps on his left, and had some thinking to do. The routine move was to continue trumps, but that would have given West a chance for brilliant

defense. He could have led the spade king and modest diamond ace, permitting South to win with the king and lead heart king to ruff out the ten. This would leave South with losses.

South forewent the possibility this defense, which would be available whenever the high-mound honors were split, a sure event. (After the pre-emptive opening, it was virtually impossible to think that East held king of diamonds together with the heart king.) So he fought ingenious countermeasures: he dealt three club winners against his hand.

Now there was no way for defense to take more than two tricks. West was welcome to the spade king, lead to partner's diamond king and the heart ace, for he would be employed, and South's loser would disappear. A diamond lead would permit the jack score in the dummy, and, thanks to South's careful club play, club lead would give a ruff and discard.



# Dodgers Get Cubs' Monday

LOS ANGELES, Jan. 12 (AP).—The Los Angeles Dodgers ended a long quest yesterday when they acquired Rick Monday from the Chicago Cubs in a five-man deal. In the deal, Los Angeles also acquired reliever Mike Garman and gave up outfielder Bill Buckner, plus two reserves.

Monday, 31, is an 11-year veteran out of Arizona State who, in 1976 with the Cubs, hit .272, smashed 32 home runs (third best in the National League) and had a slugging percentage of .507 (fourth best in the league). He also drove in 77 runs.

Monday also was outstanding in center field, making only two errors in 280 chances for a .993 percentage. Also last season, in a game at Dodger Stadium, he prevented two persons from burning the American flag.

Buckner batted .301 with the Dodgers last year and has a .298 lifetime average.

The Dodgers also sent reserve infielder Ivan DeJesus and minor league pitcher Jeff Albert to the Cubs.



Rick Monday  
... changing uniforms.

"We're quite happy to have Monday," said Dodger vice-president Al Campanis. "We've tried to get him the past few years. He's an outstanding hitter and a great fielder. He will play center for us and Garman should help us in the bullpen. Garman throws hard and has excellent control."

Garman is 27 and a right-hander. He was 2-4 with a 4.97 earned-run average with six saves in 47 games last year with the Cubs. He broke in with the Boston Red Sox after he was their No. 1 choice in the June, 1967, free-agent draft. He was traded to St. Louis in 1974, where he spent two years before coming to

the Cubs in 1976. His best year was in 1974, when he was 7-2 with six saves.

DeJesus, who has spent parts of three years in the majors, batted .300 at Albuquerque of the Pacific Coast League last season and, in 23 games with the Dodgers, hit .171.

Albert was a No. 31 draft selection in 1976 out of C.W. Post College. The 22-year-old was 7-5 with a 2.95 ERA last season with Sellsburg, Wash., in the Rookie Northwest League.

Monday broke in with Kansas City in 1966 when the A's played there. He stayed with the club

when it switched to Oakland and was traded to the Cubs in 1972.

## Good Word for Kuhn

CHICAGO, Jan. 12 (AP).—Walter O'Malley, owner of the Los Angeles Dodgers, testified yesterday that his club's policy was not to sign "instant" free agents and that he had "hoped other clubs would follow," but that only Cincinnati had taken a similar position.

O'Malley was testifying in the \$3.5-million suit by the Oakland A's owner, Charles O. Finley, against commissioner Bowie Kuhn, who voided Finley's sale of Rolfe Fingers and Joe Rudi to the Boston Red Sox for \$1 million each and Vida Blue to the New York Yankees for \$1.5 million last June.

O'Malley, who testified that he refused to sell Duke Snider, Roy Campanella or Gil Hodges to Philadelphia in 1963 for \$650,000 and five minor league players, said Finley's sale of the three players would have been "a fraud to the fans."

Ned Papano, Finley's attorney, responded, "Did you think it was a fraud to the fans when you moved an entire team from Brooklyn (in 1958)?"

O'Malley answered, "If the commissioner would have disapproved it, we would have abided by his decision."

O'Malley said that he was in financial difficulties in 1963 and had "cheered" on the Philadelphia offer of \$650,000, but that he had taken a sizable loan from the Brooklyn Trust Company and did not have to sell his players.

O'Malley also testified that, at a meeting last year to discuss free agents, he drew up a "white paper" on the Dodgers' policy of not signing them.

"I gave a copy to the commissioner, another to Buzzie Bavasi of San Diego and Bob Howsam of Cincinnati, but decided not to distribute the papers, otherwise it might look like a conspiracy," he said.

O'Malley, often called the "behind-the-scenes" commissioner, testified: "I've been very careful, especially with commissioner Kuhn, not to recommend anything. If he wants my opinion, I don't hesitate to give it to him. But he's not the type of commissioner you can tell what to do."

## Good Day To Error In Sports

PARIS, Jan. 12 (UPI).—Yesterday was a wonderful day for making mistakes in the world of sports.

In Copenhagen, Danish handball player Flemming Hansen, photo on right, erred by opening his mouth so much that his trainer was forced to close it. But also, the hand over mouth came too late and the referee "looked" the player, an action that usually leads to a fine or suspension, and sometimes tight lips.

In photo below, taken in Fontwell, England, where it was too cold to go swimming, jockey Chris Read is about to take a flying dive over the head of his falling mount. Luckily, in the novice's steeplechase race. Neither horse nor jockey were hurt.

But anyone can fall in a steeplechase race. It's part of the game. Not many, though, can misjudge the finish line. That honor, also



Associated Press.

at Fontwell, yesterday, went to a tourist jockey—American George Sloan.

Sloan passed the winning post clear of the field and pulled up the 9-4 favorite Monfire, well pleased with his triumph. Until, that is, he saw the rest of the field sweep past him on the second circuit of the Robert Gore Cup

Chase and heard the angry shouts of those who had backed the horse.

The Tennessee jockey set off in pursuit, regained the lead—and won the race.

"I would be hanging from a tree now if I hadn't won," said Sloan. "I mistook the winning post the first time around."



Associated Press.

# President's Committee Asks for Centralization, Money to Its Olympians

WASHINGTON, Jan. 12 (UPI).

A special White House Olympics Commission advocated today that a powerful but non-governmental Central Sports Organization be created and U.S. amateurs be allowed to take money for endorsements and any other activities except actual athletic competition.

These were the most revolutionary recommendations among a series of wide-ranging proposals in a final report of the President's Commission on Olympic Sports submitted to President Ford and President-elect Jimmy Carter.

The suggested new Central Sports Organization would supplant the U.S. Olympic Committee as the national supervisory body for competition at the Olympic Games. The CSO also would weaken control of amateur athletics by the Amateur Athletic Union and the National Collegiate Athletic Association.

The recommendation to allow payments to U.S. athletes without costing them their eligibility was contained in a section on amateurism. The report, which will be unveiled tomorrow at news conferences in New York and Los Angeles, said: "The commission believes that an amateur athlete should be able to accept all sports-related revenues except those offered for competition itself."

At the request of Ford, the 22-member commission, including such Olympic stars as diver Micki King, swimmer Denny Stearns, and decathlon stars Rafer Johnson and Bill Tomney, conducted a two-year study of the feud-ridden U.S. amateur situation.

The 600-page report, including hearings on each of 30 Olympic competitive sports, said: "In international sport... American performance is deteriorating. Against athletes from nations to whom Olympic medals are no prelude to moon rocks, U.S. competitors seem to have steadily diminishing chances of success."

The panel, headed by Gerald Zornow, chairman of the board of Eastman Kodak, urged an array of government and private enterprise programs to get the United States on a winning track for the 1980 Winter and Summer Olympics at Lake Placid, N.Y., and Moscow.

These included: A system of sport-by-sport national governing bodies which would provide the underpinnings of the central sports organization.

• A congressional legislated

bill of rights for athletes to prevent their being unfairly qualified for Olympic or U.S. competition by such ruling bodies as the AAT or the NCAA.

Government programs to help finance and encourage amateur sports.

The report, citing the virtually uncoordinated state of amateur Olympic and other athletes in other countries and the lack of any uniform international sports definition of amateurism, asserted the rules should be eased in the United States.

"Either amateur rules should be altered or abolished so that our professional athletes can be unshackled on the rest of the world or the rules should be enforced equally, eliminating the opposition's full-time paid athletes," the panel said.

For Lake Placid (Reuters).—The Adirondack Park Agency, by a vote of six to four with one abstention, has approved the construction of 70-meter and 90-meter ski jumps on Intervale Mountain for the 1980 Winter Olympic Games.

The decision removes a major obstacle to holding the Games here. The agency still must approve some tree-cutting to allow the Olympic organizing committee to renovate the Alpine racetracks on Whiteface Mountain.

The construction of the new jumps was opposed by environmentalist groups which claimed that a new, higher ski-jump tower would cause erosion, create noise pollution and damage the scenic beauty of the Lake Placid area.

## 2 Fight Champs Set for Defenses

NEW YORK, Jan. 12 (Reuters).

Three defenses by Roberto Duran of Panama, the World Boxing Association lightweight champion, and Esteban DeJesus of Puerto Rico, the World Boxing Council lightweight champion, were announced here yesterday by promoter Don King.

Duran will defend his crown against Vilmar Fernandez of the Dominican Republic on Jan. 29 at a site still to be decided. DeJesus will defend his title against Rhinny (Gussess) Yamabe of Japan at San Juan on Feb. 12. Both fights are 15-rounders.

King also announced that former world heavyweight champion George Foreman will meet Pedro Asgote of Puerto Rico in a 10-round match at Pensacola, Fla., on Jan. 22.

## Ferrari Drivers Equal

BONN, Jan. 12 (Reuters).—Saute Ghedini, new team manager for the Ferrari Grand Prix motor racing team, said in an interview published today that Niki Lauda and Carlos Reutemann would have to accept being co-number-one Ferrari drivers.

He told the German newspaper Die Welt that it was Enzo Ferrari's view that the two drivers should have the same position at the moment on the team.

"For Enzo Ferrari, the No. 1 driver in 1977 is the one who wins the most races or collects the most points."

Ghedini said the same equipment and service was being given to both Lauda, of Austria, world champion in 1975 and still ahead on points until his near-fatal accident last season, and Argentinian Reutemann, who replaced Clay Regazzoni of Switzerland in the team this season.

He said in the interview, conducted in Buenos Aires where he directed Ferrari's efforts in the Argentine Grand Prix, that Reutemann would take over the role of No. 1 if he turned out to be faster than Lauda, but added: "I'm sure that's not the case. For me Lauda is still the faster driver."

Asked about Ferrari's motives for making his two drivers rivals for No. 1 position, Ghedini said: "Maybe Enzo Ferrari just wants to spur his two drivers on."

Re added: "Enzo Ferrari is a strong-willed personality. He expects that his employees understand and accept his decisions. If they can't do that, then they cannot work for him. I stick to this rule."

"Niki Lauda or Reutemann want to race with Ferrari, then they must accept their situation. No one forced them to drive for us. In fact Reutemann bought himself free from Brabham at a high price to sit in a Ferrari. If either he or Mr. Lauda do not

# The Vikings' Primrose Path to Disaster in the Super Bowl

By Red Smith

NEW YORK, Jan. 12 (NYT).—Whipping a dead horse is a ghastly exercise not favored here, but that misbegotten offspring of ballyhoo and exaggeration called the Super Bowl has been so outrageously overplayed in print and on the air that one more drop in the bucket can't do any harm.

Before entering the subject, it might be desirable to clear up one small mystery, i.e., if the Minnesota Vikings can't play football better than they did against Oakland on Sunday, against Pittsburgh two years ago against Miami in 1974, then how can they keep qualifying for this final round match for the professional football championship?

Since the warring National and American Football Leagues bled and made up and then split like an amoeba to form two conferences, there have been 11 Super Bowls and Minnesota has appeared in four of them, a record unmatched by any of the 27 other teams. Minnesota has also lost four, a record none of the others wants. How come?

Well, for one thing, the Vikings play in the Central Division of the National Conference, which

isn't quite the same as having a path to the Super Bowl, but it helps. In their division they play home-and-home series with the Green Bay Packers, Chicago Bears and Detroit Lions. In the last decade, that has usually meant six victories they could count on, and teams have been known to win divisional championships with only eight victories.

Sure Things

En route to their first two Super Bowls, the Vikings won 12 games from Chicago, Green Bay and Detroit. In 1976 the improving Bears squeaked past Minnesota by a single point in one game, so the Vikings record was only 1-1 in their division. However, the Giants, Saints, Eagles and Seattle helped them toward their total of 11 victories in 14 starts.

Stenmark Wins Giant

KIRCHBERG, Austria, Jan. 12 (UPI).—Ski World Cup-holder Ingemar Stenmark of Sweden today won a World Ski Federation (FIS) giant slalom in 3 minutes 24.53 seconds, ahead of Willy Frommelt, of Liechtenstein 3:27.60, and Hans Hinterseer of Austria, 3:28.67. Phil Mahre of the United States was fourth in 3:28.73 in the heat race.

adephols to a 117-115 victory over the Kings, McCallum, who finished with 27 points, scored six of his four-quarter points during the four-minute span in which the Cavs ran 59-87 lead with 12 seconds left in regulation time.

Lucius Allen, who added 25 points and had eight assists for the Lakers, sent the game into the extra period by connecting on a driving layup with 5 seconds left.

Celtics 105, Rockets 101

At Hartford, Conn., John Havlicek stole the ball with 25 minutes to play and drove for a layup to give Boston the lead and Charlie Scott tossed in seven points in the waning moments to pace the Celtics to a 105-101 victory over Houston.

Bullets 121, Bucks 109

At Milwaukee, reserve Larry Wright scored 25 points and Elvin Hayes had 25 points and 17 rebounds to spark Washington to a 120-109 victory over the Bucks. The victory moved Washington, which has won six of its last seven games, past the San Antonio into third place in the Central Division.

Bulls 93, Suns 90

At Chicago, Wilbur Holland stole the ball from Phoenix guard Paul Westphal and scored a layup with 23 seconds remaining to lead the Bulls to a 93-90 victory. The game was tied at 90-90 when Westphal had the ball in the front court and Norm Van Lier was pressuring him. Holland then double-teamed Westphal, stole the ball and drove for the winning basket.

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At Kansas City, George McGinnis scored 10 points and handed off two assists in the final six minutes in leading Philadelphia to a 117-115 victory over the Kings.

They even caught Pittsburgh early in the season when the Steelers couldn't win. Then, having won the divisional title against the Raiders, they played Los Angeles for the conference championship on a given Sunday. "On any given Sunday," Bert Bell used to say when he was commissioner, "any team in this league can beat any other team."

On Sunday, Dec. 26, the Rams gained 336 yards to Minnesota's 297 and made 21 first downs to 13 but two blocked kicks gave Minnesota the game.

In other words, Super Bowl XI was not necessarily a match between pro football's best. It may be that the Vikings weren't even the best in their conference. And it is probable that they are wearing out.

Jim Marshall, the defensive end who has been a pro for 17 seasons, will be 40 this year. Fran Tarkenton, after his 16th season of gainful employment at quarterback, and Mick Tingelhoff, a center with 15 years in the league, are almost 37. Carl Eller, Wally Hilgenberg and Paul Krause are going on 35 and Alan Page is a legend at 31. The professional experience of these seven starters totals a shade less than a century.

All of which suggests that if somebody other than Minnesota had represented the NFC in 1970, 1974, 1975 and 1977, the conference's worst record in the Super Bowl might be 7-4 instead of 3-8.

One writer has suggested that the eight teams that make the playoffs be seeded in an effort to winnow out all but the two best before the Super Bowl. The divisional champions and the wild-card team in each conference would be ranked according to their win-loss records. Then

in the first playoff round the team with the best record would play the one with the worst, the second-best would meet the next-to-worst, and so on.

Theoretically, the law of survival of the fittest would produce the best possible pairing for the Super Bowl, and if both finalists happened to be in one conference, nobody would mind. For the old NFL-AFL rivalry is one with Nureev and Tyre anyway. This might be the most desirable arrangement but it would carry no guarantee, for there is no such thing as foolproof matchmaking on the field, in the ring or at a singles bar.

Not Always the Best

Any sport that adopts the playoff system runs the risk of having a less-wind up as champion. It is always possible for the team with the smaller record to be upset. It happened in Super Bowl II when the Packers (13-1) creamed the Raiders (13-1). First time the Vikings made the Super Bowl they were trounced by the Kansas City Chiefs, who had finished second to Oakland in their division but had whipped the Jets and Raiders in the playoffs.

"Lucky they didn't have to play against champions," guys said of Minnesota.

One final observation. Until man is released, no game is likely to be more nearly free of penalties than the Minnesota-Oakland battle. This was not the case in preliminary games. Chances are there were more penalties and more complaints about officiating in 1976 than ever before. To remedy this condition, two and possibly three steps are recommended:

Try playing by the rules. When you break, don't brag. Respect the neutral zone. Don't charge

before the ball moves. Don't block people running away. On passes, play the ball instead of the receiver. That ought to work. If it doesn't, change the officials or the rules or both.

And when it comes to the main championship, call it the Lesser Bowl, or the Big Sleep. Something the game can live up to.

Maple Leafs Check Penguins' Victory String

PITTSBURGH, Jan. 12 (UPI).—Toronto coach Red Kelly said his game plan against the Pittsburgh Penguins last night was to "check, check, and check."

"The plan worked to perfection and the Maple Leafs came up with a 2-0 victory, halting Pittsburgh's unbeaten string at six games."

"It was the best checking game we've played against Pittsburgh since I've been in Toronto," said Kelly, a former Penguins coach.

The Penguins got 30 shots on goal. Wayne Thomas, 11 of them by defenseman Kelly, said his team's checking was the reason.

"They couldn't get hold of the puck in front of the nets and keep it there like they usually do," said Kelly. "They usually get 40 shots at our goal, but not tonight."

Darryl Sittler scored one goal and assisted on another to lead the Toronto attack. He got his 18th goal on a power play late in the first period and assisted on a goal by leftwing Errol Thompson early in the third period.

The shutout was the first of the season for Thomas.

Bruins 3, Caps 2

At Landover, Boston built a three-goal lead in the third pe-

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## Winning Is Fun for Lakers' Abdul-Jabbar

RICHFIELD, Ohio, Jan. 12 (UPI).—The Los Angeles Lakers, now with a 25-14 win-loss record, are off to their best start since the 1972-73 season and Kareem Abdul-Jabbar is enjoying every minute of it.

"It's fun to win and it's been a long time since we've been winning," said Jabbar, who tossed in a 12-footer with four seconds left in overtime to give the Lakers a 101-89 National Basketball Association victory here over the Cleveland Cavaliers last night.

After Bobby Smith's 24-point tied the score at 99-all with 25 seconds left, the Lakers called time out. They passed the ball around until Jabbar got it and flipped in the game-winning shot.

"I just turned around and got my body into the shot. It was more of a jump shot than a hook," said Jabbar, who scored a season high of 40 points by canning 16 of 27 field-goal attempts and eight of 12 from the foul line. He also pulled down 12 rebounds.

It also was Jabbar who helped Smith hurry the final shot of the game while bounced off the hoop at the buzzer and gave the Lakers their third straight road victory.

"I felt they would go to Smith because he is a great outside shooter," added Jabbar. "I was looking for somebody else when Tom Abernethy and I switched,

I got Smith and tried to harass him."

Smith tossed in 10 fourth-period points, including a basket from the top of the key to give the Cavs an 89-87 lead with 12 seconds left in regulation time.

Lucius Allen, who added 25 points and had eight assists for the Lakers, sent the game into the extra period by connecting on a driving layup with 5 seconds left.

Celtics 105, Rockets 101

At Hartford, Conn., John Havlicek stole the ball with 25 minutes to play and drove for a layup to give Boston the lead and Charlie Scott tossed in seven points in the waning moments to pace the Celtics to a 105-101 victory over Houston.

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## Penn's Slowdown Speeds Up Triumph Against Princeton 5

NEW YORK, Jan. 12 (UPI).—It's difficult to look good against Princeton and its "we've got all the time in the world" offense.

But Penn coach Chuck Daly went the Tigers one better last night—an absolute deep freeze for the final 13 minutes to give the Quakers a 59-39 victory over Princeton and first place in the Ivy League.

"It was a must-win game for us," Daly said after the Quakers improved their Ivy League record to 3-0 with the victory over the defending champions.

Kevin McDonald led Penn with 17 points and sophomore Bobby Willis had 11.

"Bobby's been struggling, so I had him come off the bench so he wouldn't feel the pressure so much," said Daly, who came up with all the right moves against the troublesome Tigers, who entered the game at the Palestra in Philadelphia with a five-game winning streak that included a victory over Notre Dame.

Princeton's slow and deliberate offense built a 10-point lead early in the game, but the Quakers resorted to a pressure defense to close the gap to 24-22 by half-time.

Willis sank two free throws with 14:21 left in the game to give the Quakers the lead and, after another basket increased the margin to 34-30, Penn went into a four-corner stall against Princeton's zone defense.

Penn increased its lead to five points, 39-34, on McDonald's three-point play with 2:33 remaining, but the Tigers closed the margin to one, 40-39, with 39 seconds left.

Quaker guard Mark Lonetto made the first of two free throws with 15 seconds left, but missed the second and Princeton had a chance to tie. But Lonetto stole the ball at midcourt and clinched the victory with a dunk.

Glen Gondredick scored 25 points to lead seventh-ranked Nevada-Las Vegas to a 102-90 rout of Northern Arizona as the Rebels improved their record to 14-1.

Rain-soaked Marquette registered a 74-56 victory over Air Force as Butch Lee scored 33 points for the Warriors.

Providence, ranked 18th, rolled to its 12th victory in 14 games with an 86-71 triumph over Connecticut. Bob Cooper scored 22 points and Joe Hasset 18 for the Friars.

## NBA Standings

EASTERN CONFERENCE				
Atlantic Division	W	L	Pct	GB
Philadelphia	22	15	.595	—
Boston	19	18	.514	3
NY Knicks	19	18	.514	3
Buffalo	15	24	.385	8
NY Nets	12	26	.310	11 1/2

Central Division				
W	L	Pct	GB	
San Antonio	22	14	.610	—
Houston	20	16	.559	1 1/2
Washington	19	18	.514	3
San Antonio	18	19	.485	4
New Orleans	19	20	.487	4
Atlanta	13	26	.333	11

San Francisco	13	29	.293	15 1/2
Pacific Division				
Portland	38	13	.683	—
Los Angeles	35	14	.641	2
Golden State	30	17	.541	6
Seattle	23	19	.537	8
Phoenix	15	23	.406	11
Tuesday's Games				
Portland 131, NY Knicks 111 (Lucas				
Walton 30; McAdoo 31, Houston,				



